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# WAR EXPENDITURES

## HEARINGS

BEFORE

SUBCOMMITTEE No. 2

(CAMPS)

OF THE

SELECT COMMITTEE ON EXPENDITURES  
IN THE WAR DEPARTMENT

HOUSE OF REPRESENTATIVES

SIXTY-SIXTH CONGRESS

FIRST SESSION

ON

WAR EXPENDITURES

VOL. 2

Hon. JOHN C. McKENZIE, Chairman

Hon. ROSCOE C. McCULLOUGH

Hon. FRANK DOREMUS

NOVEMBER 1, 1919—JANUARY 17, 1920

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**SELECT COMMITTEE ON EXPENDITURES IN THE WAR DEPARTMENT.**

**HOUSE OF REPRESENTATIVES.**

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# WAR EXPENDITURES.

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SUBCOMMITTEE NO. 2 (CAMPS)  
OF THE SELECT COMMITTEE ON  
EXPENDITURES IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
*Columbus, Ohio, Saturday, November 1, 1919.*

The committee met at 10 o'clock a. m., pursuant to adjournment on yesterday in the senate chamber of the State capitol, at Columbus, Ohio, Hon. John C. McKenzie (chairman) presiding. Also present: Hon. Roscoe C. McCulloch and Hon. Frank E. Doremus.

## TESTIMONY OF W. F. GUNTHER, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. What is your name—Gunther?

Mr. GUNTHER. Yes, sir.

Mr. McKENZIE. Where do you live?

Mr. GUNTHER. Chillicothe.

Mr. McKENZIE. How long have you lived there?

Mr. GUNTHER. All my life.

Mr. McKENZIE. What is your business?

Mr. GUNTHER. I am a contractor—carpenter contractor.

Mr. McKENZIE. How long have you been in the contracting business?

Mr. GUNTHER. I have been in the contracting business about 20 years.

Mr. McKENZIE. To what extent do you engage in that business—what is the size of your organization?

Mr. GUNTHER. Well, it is individual. I contract in a small way; the largest contract I have had is \$40,000, and from that down; nothing larger than that.

Mr. McKENZIE. You are carrying it on on your own responsibility?

Mr. GUNTHER. On my own responsibility. I have made some money and I have lost some money.

Mr. McCULLOCH. Have you stated whether or not you worked at Camp Sherman?

Mr. GUNTHER. No, sir; I have not.

Mr. McCULLOCH. Did you work at Camp Sherman?

Mr. GUNTHER. I worked at Camp Sherman; yes, sir.

Mr. McCULLOCH. How long were you there?

Mr. GUNTHER. I started there on the 27th day of June, 1917, and I was there continuously until the 18th or 20th of March of this year.

Mr. McCULLOCH. During that time what position or positions did you hold?

Mr. GUNTHER. Well, when I started there I went there as a carpenter foreman.

Mr. McCULLOCH. For whom?

Mr. GUNTHER. Bentley.

Mr. McCULLOCH. Then, what else did you do?

Mr. GUNTHER. I was there with Bentley until the 1st of December, until they left—

Mr. McCULLOCH (interposing). All the time as a carpenter foreman?

Mr. GUNTHER. All the time as a carpenter foreman.

Mr. McCULLOCH. And then what?

Mr. GUNTHER. And then the constructing quartermaster; I think he took it over and I remained with him all that winter until about the middle of February—somewhere in that neighborhood, when I went with McGrath; but I was continuously on the job.

Mr. McCULLOCH. When you went with McGrath, in what capacity did you work?

Mr. GUNTHER. Carpenter foreman.

Mr. McCULLOCH. How long did you work with McGrath?

Mr. GUNTHER. Until they went out in February.

Mr. McCULLOCH. Until they left the job?

Mr. GUNTHER. Yes; until they left. Along about October or November, some time of last year, I was made section foreman at the base hospital, or block foreman, as some call it; section foreman I always called it.

Mr. McCULLOCH. But you were over carpenters?

Mr. GUNTHER. Yes; over carpenters.

Mr. McCULLOCH. So you were, in fact, a carpenter?

Mr. GUNTHER. At that time, no; more in the nature of a superintendent.

Mr. McCULLOCH. When you first went on the job as a carpenter foreman for the Bentley Co., how many men did you have under you?

Mr. GUNTHER. Well, I think that I took—when I first went there I think I took 40 men with me the first day that I went.

Mr. McCULLOCH. Tell us about the qualifications of the men; were they all experienced carpenters?

Mr. GUNTHER. No; not all of them.

Mr. McCULLOCH. Can you give the committee some idea now of the qualifications of the men that were assigned to you?

Mr. GUNTHER. Well, they went along in this way—when I went there I happened to be the first one on the job, and I had the selections of the local men whom I knew—a great many of them—many of them worked for me years before and some I have working for me to-day.

Mr. McCULLOCH. You got the gang together?

Mr. GUNTHER. I got the gang together, and Mr. Hollingsworth told me to get the gang together, 30 or 40 men, and go to the Phillips house and he would be out the next morning and tell me what to do. I could not get the whole of the 40 men, and I selected some from the labor bureau, but it was but a day or two until I found out whether they were mechanics or not.

Mr. McCULLOCH. Were those furnished to you, mechanics?



Mr. GUNTHER. Not all of them.

Mr. McCULLOCH. As you went along, did you have the same gang or different gangs of men?

Mr. GUNTHER. Oh, no; as I went along some of the men would ask for the foreman, and I recommended them, and they were made foremen and went on different parts of the field. In that way I had to get my men from another place, and the only way I could get them was to make a request for carpenters and they would send them to me.

Mr. McCULLOCH. Dealing with that subject generally, and then passing it by, what do you say as to the percentage of carpenters that came under your observation, not only in your own gang but generally, who were really qualified as carpenters?

Mr. GUNTHER. I don't think there was over 30 or 35 per cent of them were mechanics—carpenters.

Mr. McCULLOCH. What do you say as to the number of men that were assigned to the various parts of the work; were there too many men or were there too few?

Mr. GUNTHER. From my observation, there were considerably too many men on the job.

Mr. McCULLOCH. You are a practical man and I wish you would give the committee just some idea as to what your judgment is as to the percentage of men that were on the job that would not be necessary; that is, give us some idea of how many too many there were?

Mr. GUNTHER. Oh, there were at least 50 to 60 per cent too many.

Mr. McCULLOCH. And when you say too many, do you mean that because of the large number of men on the work, the work could not be done in the most expeditious and best way?

Mr. GUNTHER. Emphatically so, from a mechanical standpoint, and—

Mr. McCULLOCH (interposing). That is what I want to get at; from a mechanical standpoint, and—what?

Mr. GUNTHER. From a mechanical standpoint, there were entirely too many.

Mr. McCULLOCH. Mr. Gunther, can you give us some idea of what you mean?

Mr. GUNTHER. If I have a building 50 feet square I don't want a man for every square foot of it, because there are too many men and they are in each other's way.

Mr. McCULLOCH. Which would result in delay?

Mr. GUNTHER. Yes, sir; bound to.

Mr. McCULLOCH. And in additional cost?

Mr. GUNTHER. Additional cost. If I was doing it in my own way, as a contractor, I would not have had half of them.

Mr. McCULLOCH. If you were doing it as a contractor yourself, you would not have had half of them?

Mr. GUNTHER. Not half of them.

Mr. McCULLOCH. Would you have gotten it completed as quick or quicker with a half?

Mr. GUNTHER. I would have gotten it completed quicker.

Mr. McCULLOCH. It has been urged here—I do not know about its being urged here—but it has been urged that because of the necessity for speed, which everybody concedes, that it was necessary to

rush upon that job large numbers of men to bring about the completion of the building of those buildings on time, or in a hurry. What do you say about that?

Mr. GUNTHER. Well, I saw that that was all right. That was the object—that was the intention of all of us who started there, I suppose; it was mine, I know. But when they can crowd 40 or 50 men into a room 10 or 12 feet square, there wasn't room for anything else.

Mr. McCULLOCH. And did not accomplish anything?

Mr. GUNTHER. There was no work.

Mr. McCULLOCH. And which would delay it if there was nothing accomplished?

Mr. GUNTHER. Certainly delayed it.

Mr. McCULLOCH. And would increase the cost?

Mr. GUNTHER. Increased the cost; the cost went on just the same.

Mr. McCULLOCH. What do you say as to the method of handling materials; was there a waste in the handling of materials?

Mr. GUNTHER. At times it did not look like there was anything else.

Mr. McCULLOCH. I wish you would just state in your own way and from your practical experience, give the committee your views as to just what occurred there in the way of waste and how it occurred?

Mr. GUNTHER. Well, it was waste—you could find material of all kinds and of all descriptions lying about in all manner of shapes; driven over and tramped in the mud and just wasted. You might as well have thrown it away. I guess they did throw a good deal of it away.

Mr. McCULLOCH. An absolute disregard for it?

Mr. GUNTHER. It seemed so to me; yes.

Mr. McCULLOCH. To come to specific kinds of materials; tell us something about the waste of lumber.

Mr. GUNTHER. The waste of lumber was enormous. My work was a little different from most of it. I was there at general headquarters and had practically special work. I made all of the trims that were used throughout the camp and the sewer manhole covers and fire-alarm boxes and such as that. I had to have mechanics. I couldn't put up with saw and hammer men or butchers, as we called them. The boxes were—most of them were made from the stuff I salvaged from the waste, that was made by me. I had a team or two around there. I had them busy; when I didn't have them busy hauling stuff to the sections where it went to, I had them haul in lumber. Sometimes it was merchantable stuff. I used it that way rather than to see it go to waste.

Mr. McCULLOCH. What were your orders on this?

Mr. GUNTHER. I had no orders on it. My orders were to do the work.

Mr. McCULLOCH. You say you did this yourself?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. As a practical man and mechanic, what do you say as to the method generally throughout the camp, of others; did they do that?

Mr. GUNTHER. There wasn't anybody over the camp doing the work I was.

Mr. McCULLOCH. Did they use these scraps?

Mr. GUNTHER. They certainly could not, from the mountains of it piled up and burning at the camp, on the old canal bank and on the river bank.

Mr. McCULLOCH. You say there were mountains of it?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. What do you say as to whether it was valuable or usable?

Mr. GUNTHER. I can describe it so that you can understand it. There was a score board to be made at the ball grounds, and desks, hundred of those things I made, and I used anything that was applicable rather than to cut up a new board. One of the scrap piles was back of the ball ground. I said, "I guess I will go up there and make the score boards there rather than to bring the stuff down here." I guess I could have made score boards for the United States.

Mr. McCULLOCH. When you say that, you mean there was great quantities of it there?

Mr. GUNTHER. Quantities of it; lumber piled up and piled up as it was there; some was burning, some on the fire, and some the fire had not gotten to. It is hard to estimate the amount of it.

Mr. McCULLOCH. You took it off the bonfire?

Mr. GUNTHER. Before the fire got to it.

Mr. McCULLOCH. It was burning that way?

Mr. GUNTHER. The fire was at the far end of it.

Mr. McCULLOCH. And you took the lumber for the scoreboard from a pile of lumber that was burning?

Mr. GUNTHER. It was from a pile of lumber that was burning; I pulled it out of the pile.

Mr. McCULLOCH. It was burning at the other end?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. The intention was to burn it up?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. For whom were you building the scoreboard?

Mr. GUNTHER. It was the camp.

Mr. McCULLOCH. Government property?

Mr. GUNTHER. I suppose it was; it was at the camp.

Mr. McCULLOCH. The waste of lumber, you say, was enormous?

Mr. GUNTHER. Certainly was.

Mr. McCULLOCH. Now, what did you observe as to the waste of other materials, such as hardware and nails?

Mr. GUNTHER. Nails in the same proportion; I had there at headquarters from 20, and sometimes 40 and 60 men, depending entirely on the amount of work that we wanted to get through to take care of the officers, and I venture that the nails that I used were practically nails that I had my hand, the driver of the team, pick up. Whenever he found a keg of nails on the ground, either broken or a full keg, he was to bring it in. I had nails not only for myself, but I furnished them to everybody in the neighborhood. I furnished them to the warehouse at one time. They had run out and they asked me whether I had any nails, and I said, "It depends on how many you want." They said they were nearly out, and I sent out on one occasion nearly a truck load of salvaged nails.

Mr. McCULLOCH. Salvaged by you?

Mr. GUNTHER. By my orders.

Mr. McCULLOCH. Had you been told to do that?

Mr. GUNTHER. I was never told to do that.

Mr. McCULLOCH. Were you the only one that did that?

Mr. GUNTHER. So far as I know; yes, sir.

Mr. McCULLOCH. And you did that from your own sense of economical justice?

Mr. GUNTHER. From a sense of economical justice to myself and the Government. They asked us to buy thrift stamps and to sacrifice in our daily lives one way and another, and we did it for a time, and then to see it thrown away that way, it went against the grain.

Mr. McCULLOCH. You were a thoughtful man and knew as a citizen of the Republic you would have to pay for it?

Mr. GUNTHER. I would have to pay for it and I am paying for it now.

Mr. McCULLOCH. And you will for a good many years?

Mr. McKENZIE. One thing that was gone into to some extent, that was the manner of handling the lumber, taking it off the cars. Was it taken off with any care, or was it thrown off and split?

Mr. GUNTHER. My observation was, when it went off the car into the yard it was handled with better care than it was when it was hauled into the field. In taking it off the car they seemed to take some pains to pile it in lengths, the 10-foot lengths in the 10-foot pile and the 12-foot lengths in the 12-foot pile, and so on, but when it was hauled into the field you were liable to get it two miles or more from where you wanted it, and if there was a mud puddle in the neighborhood, it was bound to be in that mud puddle.

Mr. McKENZIE. There was some testimony yesterday about their throwing off the heavy tiling. I thought you might know something about the manner in which the lumber was unloaded?

Mr. GUNTHER. The lumber was not piled with the care that we would pile it in our daily business, either in this city or any other city, as private business. When the lumber comes and is taken off the truck, it is piled up in respectable shape so it can be used, but these fellows would [making throwing gestures with his hands]—any old way.

Mr. McKENZIE. What effect would that have on warping and twisting the lumber?

Mr. GUNTHER. A bad effect.

Mr. McKENZIE. Made it unusable, most of it?

Mr. GUNTHER. Some of it unusable.

Mr. McKENZIE. It was green, as I understand, most of it?

Mr. GUNTHER. Most of it was green. It was hard to get dry lumber for that; to use it and get it on the jobs, and make progress.

Mr. McCULLOCH. Would you be willing to venture an opinion—of course, it would only be an opinion—would you be willing to give your opinion as to the percentage of the lumber on that job that was wasted?

Mr. GUNTHER. Well, I don't know. In my opinion, I think you could come very nearly building another cantonment as large as that one down there with the material that was wasted down there.

Mr. McCULLOCH. That is, you mean lumber alone, or all the material?

Mr. GUNTHER. All the material.

Mr. McCULLOCH. It has been testified here that they would take out from under the buildings or off from near the buildings, after a building had been built, enough nails to build another building.

Mr. GUNTHER. Well, I salvaged enough, myself, had it done, and seen it, to have done that myself.

Mr. McCULLOCH. What was the attitude of the contractor in regard to this waste; was there any effort made to stop it?

Mr. GUNTHER. Why, there may have been. I don't know of any effort; no direct orders were given to salvage any of those. They had a salvage department, or a cleanup gang, or whatever they call it, I think. But when they cleaned up, they cleaned up everything.

Mr. McCULLOCH. Took it to the dump; is that right?

Mr. GUNTHER. Took it some place, to the dump or——

Mr. McCULLOCH (interposing). Mr. Gunther, what I want to get at, is it possible that that waste could have gone on without the contractor and his agents knowing about it.

Mr. GUNTHER. If I had been the contractor and was paying for this stuff, it would not have gone on very long.

Mr. McCULLOCH. How do you account for it?

Mr. GUNTHER. I don't know unless it was just mismanagement, is all I know. They could have salvaged immense quantities of this stuff, if they had a practical man at the head of that department. I got doors, I don't know how many, that I took and piled up. The upper part of this barn that I used for a carpenter shop, I had the second story of that full of doors and sash thrown out, and everything piled on top of it. I saw some of them laying close to me for a day or so and then when the wagons would go over them I would tell them to bring them in. When the wagons would go over this clean-up job, they would take everything together.

Mr. McCULLOCH. Where would it go to?

Mr. GUNTHER. Some on the canal, and was burned, and some on the river bank.

Mr. McCULLOCH. Mr. Gunther, you have given us an instance of where there were a large number of men in a room?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. Now state that again, just about how many?

Mr. GUNTHER. I don't just understand.

Mr. McCULLOCH. A large number of men working in a room where they were working all over one another; too many men in a room.

Mr. GUNTHER. Yes, I have seen three men have hold of an ordinary 2 feet 8 inches by 6 feet 8 inches door, trying to put on the hinges. If that thing would occur in the ordinary contract they would not last 15 seconds.

Mr. McCULLOCH. In other words, if a contractor had supervised this and had intended to build this camp quickly and economically, that he would not have stood for what went on a minute? Is that right.

Mr. GUNTHER. No; I don't think so.

Mr. McCULLOCH. But these things did go on there, not only for a day, but weeks and weeks; is that true?

Mr. GUNTHER. Weeks and months.

Mr. McCULLOCH. All the time?

Mr. GUNTHER. Yes. I don't think there is a contractor in the land would stand for it, two men working on a 2 feet 6 inches by 6 feet 8 inches door, much less three.

Mr. McCULLOCH. These same conditions prevailed, as I understand it, during all the time you were there?

Mr. GUNTHER. I noticed it all the time I was there.

Mr. McCULLOCH. While you were working for both Bentley and McGrath?

Mr. GUNTHER. To a certain extent.

Mr. McCULLOCH. Will you distinguish? You say "to a certain extent?"

Mr. GUNTHER. When I was working for McGrath I wasn't all over the camp as much as I was with Bentley.

Mr. McCULLOCH. Your facilities for observation——

Mr. GUNTHER (interposing). So far as I could see——

Mr. McCULLOCH (interposing). So far as you could see was the same?

Mr. GUNTHER. Yes; and the reports I got from the boys working for me, and the others, you know.

Mr. McCULLOCH. So that those conditions prevailed from the time you went there, practically, until you left?

Mr. GUNTHER. Yes.

Mr. McCULLOCH. Which covered a period of a year practically?

Mr. GUNTHER. Nearly two years.

Mr. McCULLOCH. Let us get it exact?

Mr. GUNTHER. From the 27th of June, 1917, until the 18th or 20th of March of this year, 1919; about 21 months.

Mr. McCULLOCH. Just about 21 months?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. During all that time the contractor was represented by superintendents?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. Foremen over you?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. What supervision did they give?

Mr. GUNTHER. Sometimes they would come along and say: "What are you doing? How are you getting along? When you get through with this job there will be something else to go at." And that was about the extent of it so far as I was concerned. I don't know what they did after they left me.

Mr. McCULLOCH. Now, did you see Bentley's superintendent?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. How frequently would he be on the job?

Mr. GUNTHER. For Bentleys, as I told you, my work was special work; I couldn't hardly tell; I went there under Hollingsworth and we got orders from——

Mr. McCULLOCH (interposing). What was his position?

Mr. GUNTHER. He was general superintendent for Bentley and he told me "All you have to do, Billy, is to keep the office force at it; to get the office force in shape." I got the old building ready and one thing followed after another and when Capt. Dabney and Capt. Rhoades—I was given as many orders from those gentlemen as any-



body else, and the building superintendent, Mr. Carew—I don't think I got two orders from him all the time I was there.

Mr. McCULLOCH. But the representatives of the contractor were on the job?

Mr. GUNTHER. Oh, yes.

Mr. McCULLOCH. And knew what was going on, if they were able to know anything; is that right?

Mr. GUNTHER. Oh, yes; I saw them every day.

Mr. McCULLOCH. And yet this condition prevailed at that camp for 21 months?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. Without being changed or rectified?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. It continued, the waste?

Mr. GUNTHER. The waste was continuous all the way through.

Mr. McCULLOCH. For 21 months, as you observed it?

Mr. GUNTHER. As I observed it; yes.

Mr. MCKENZIE. I understood you to say you worked for the quartermaster, or something like that, for a while?

Mr. GUNTHER. Yes, sir.

Mr. MCKENZIE. Was that the same condition?

Mr. GUNTHER. The same condition—no; when I was working for the quartermaster, starting on the 1st of December—I guess I was the only one that was left.

Mr. MCKENZIE. That is, a small amount of work?

Mr. GUNTHER. Yes; a small amount of work—finishing up the Liberty Theater and the hospital. Then remodeling; and that was the cold winter of 1917; of course, what went on on the outside I don't know.

Mr. McCULLOCH. The question of time in the mind of everybody is important. We would stand for a whole lot if we got quick results. What do you say as to the delay—what do you say as to how much quicker—put it that way—an effective organization, with economical methods, properly superintended; properly handled, would have done that? How much quicker would they have done that work than it was done? Give us your estimate of it. I want to say, of course, it will have to be only your opinion.

Mr. GUNTHER. My opinion would not carry much weight. I have never been on anywhere near as large a job as that. It would be a hard matter for me to estimate that.

Mr. McCULLOCH. Well, you would know—let us get it down to units; take an individual barracks; you have built many buildings—

Mr. GUNTHER (interposing). Yes.

Mr. McCULLOCH (continuing). That were more complicated in construction than a barracks building?

Mr. GUNTHER. Yes.

Mr. McCULLOCH. Let us get it to the individual barracks, one unit, if your conclusion as to the one unit would be considered as applying to the other units; let us take the one unit now. How much quicker could they have been built, one of those barracks buildings, with an efficient organization, economical methods, and proper number of

men? How much quicker could they have built it than they did build it, in your judgment?

Mr. GUNTHER. I could have taken 15 or 20 men—15 men—of course, I would not want to take the kind of men that were handed out to me up there.

Mr. McCULLOCH. The kind you would select?

Mr. GUNTHER. If I could select my own men I could have put one of those buildings up in a couple of weeks' time.

Mr. McCULLOCH. How long did it take?

Mr. GUNTHER. Possibly two weeks, but they had from 150 to 200 men sometimes on it.

Mr. McCULLOCH. You said there was delay. I want to get at how much delay there was as a result of this inefficiency, and from the men all working over each other there?

Mr. GUNTHER. That is hard for me to say, how much delay. There is bound to be some delay when you have too many men on a certain area to do the work. You can take a man on a 5 or 10 foot square piece of work and he can get around.

Mr. McCULLOCH. Certainly. When they are not doing anything, and when they are working all around over each other there is delay?

Mr. GUNTHER. Yes; and it got so, after two or three months, I got kind of hardened—like you talk about a criminal being hardened, it doesn't strike him with the force it does in the start.

Mr. McCULLOCH. You have detailed conditions and you are sustained by most every witness that has appeared here—you have detailed those conditions which you say must have resulted in delay. Now, I want to get an idea from you how much quicker those buildings could have been built if you had all the men you needed, if they were efficient, and gone about it like a contractor would go about it and put them up? How much quicker could it have been done—in half of the time or two-thirds of the time or—

Mr. GUNTHER (interposing). I think I would be safe in saying two-thirds of the time.

Mr. McCULLOCH. So that one-third of the time was wasted?

Mr. GUNTHER. One-third of the time was wasted.

Mr. McCULLOCH. And one-third of the time on that basis or figuring was delay—the work was delayed one-third of the time?

Mr. GUNTHER. The work was delayed one-third of the time.

Mr. McCULLOCH. And it could have been done that much quicker under another system?

Mr. GUNTHER. I think the whole trouble with the inefficiency of the men started with the plumbers. That is what I think.

Mr. McCULLOCH. Now, tell us about the plumbers as you observed them?

Mr. GUNTHER. There is nothing to it, only that they just laid down on the job, is all. I can not blame the carpenters much. If the carpenters had used the same methods that the plumbers used, the camp would not be built to-day.

Mr. McCULLOCH. Whose fault is it that men lay down on a job? If a man lays down on a job and the foreman fires him and the men know they are going to lose their jobs if they do not work, they are likely to work, aren't they?

Mr. GUNTHER. More than likely; they always have.

Mr. McCULLOCH. Whose fault is it if they do not work?

Mr. GUNTHER. It is in the management.

Mr. McCULLOCH. In the management?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. Therefore, if the plumbers were loafing and doing nothing and accomplishing nothing, and at the same time being paid high wages, those responsible for those conditions were the contractors?

Mr. GUNTHER. Must be.

Mr. McCULLOCH. Absolutely?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. Those conditions could not but have been apparent to the contractor and his agents all the time; is that right?

Mr. GUNTHER. How is that?

Mr. McCULLOCH. There can not be any doubt but what the contractor and his agents knew that the plumbers were not doing any work there? You knew it?

Mr. GUNTHER. There wasn't a man on the grounds, visitor or employee there, but what knew it.

Mr. McCULLOCH. If you were charged with the responsibility of that, putting up that building and getting a percentage from the Government, would you have stood for those plumbers doing what they did?

Mr. GUNTHER. I certainly would not.

Mr. McCULLOCH. Would you have regarded yourself as derelict in your duty if you had permitted it?

Mr. GUNTHER. I would.

Mr. McCULLOCH. Would you have regarded yourself as perpetrating fraud upon the Government if you had permitted it and accepted a profit for it?

Mr. GUNTHER. Yes, sir; I would.

Mr. McCULLOCH. The plumbers loafed day after day and didn't do anything; is that right?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. Can you give us any instance now specifically that came to your attention of idleness on the part of the men, in addition to what you have already stated?

Mr. GUNTHER. It was general.

Mr. McCULLOCH. In all lines?

Mr. GUNTHER. In all lines. As I say, if the carpenters had used the same methods, had done no more work than the plumbers did, the camp would not be finished or completed to-day. And you can not blame the carpenters. Here in this room were 40 or 50 plumbers here and over here [indicating] 40 or 50 carpenters, and these plumbers were shooting craps or playing poker and getting by easy—"Why can't we?" The result is the carpenters were using practically the same methods.

Mr. McCULLOCH. When they saw that it was going on and they were not getting fired?

Mr. GUNTHER. "Getting by with it," is what the word was there.

Mr. McCULLOCH. And somebody was permitting it?

Mr. GUNTHER. Somebody was permitting it.

Mr. McCULLOCH. And they were continuing to do it?

Mr. GUNTHER. They did do it.

Mr. McCULLOCH. What did you notice about the waste of cement?

Mr. GUNTHER. Well, that was, I believe, in the same proportion as the lumber. The cement can be destroyed a good deal easier than the lumber. Take it a day like this, if you haul a truck load of cement out here and it would be dumped on the street—in some cases they would be given tarpaulins, but they were not followed up close enough to see that they did take care of it, and thousands and thousands of barrels of cement were ruined.

Mr. McCULLOCH. And the same applied to roofing paper?

Mr. GUNTHER. The same applied to roofing paper.

Mr. McCULLOCH. And to tar paper?

Mr. GUNTHER. And to tar paper.

Mr. McCULLOCH. With all the construction materials that went into the camp?

Mr. GUNTHER. All that went into the camp.

Mr. McCULLOCH. And you say the percentage was the same as you have given as to the lumber in all the various lines.

Mr. GUNTHER. All the various lines.

Mr. McCULLOCH. What about the railroad track that laid where they built the hospital?

Mr. GUNTHER. Some of the railroad track is under there, I suppose; it was a year ago.

Mr. McCULLOCH. Never taken up; that is, they built the building over it?

Mr. GUNTHER. Just built the building over it, I expect; yes.

Mr. McCULLOCH. What do you say as to the foreman for the McGrath Co., Mr. Westcamp; was he on the job continuously?

Mr. GUNTHER. He may have been all the time, but I did not see him sometimes for a day or two and sometimes not for a week or two I didn't see him.

Mr. McCULLOCH. You don't know whether he was on the job or not?

Mr. GUNTHER. I could not tell you.

Mr. McCULLOCH. How many times did you see Mr. Frank McGrath while you were there?

Mr. GUNTHER. That is pretty hard to say how many times. I seen him the last few months while I got the McGrath headquarters ready last fall every few days. Sometimes I would see him three or four days in succession, and then maybe not again for possibly a week or more.

Mr. McCULLOCH. Was there any conflict in authority between the contractor's agents or the contractor and the Government officers?

Mr. GUNTHER. I don't know whether there was, but it seemed to me there must have been some.

Mr. McCULLOCH. What leads you to believe that?

Mr. GUNTHER. Well, along about this time of the year—I had been doing work, when the quartermaster or one of his agents or captains or lieutenants came to me and asked me to do a certain piece of work, and I would go ahead and do it, and it seems as though they did not suit the McGraths some way. I don't know why. I was notified not to do any work for any man in uniform.

Mr. McCULLOCH. Take your orders directly from the McGraths?

Mr. GUNTHER. The orders were to come direct from the McGraths. Mr. McCann gave me that order. I said, "Mac, that is pretty

broad, isn't it? That takes in from the commander in chief down?" He said, "Yes." So all I could do was to obey orders. A few days later Capt. Nicholson came to me—he did not come to me—he had been sick. I had missed him for two or three days. I thought possibly he had been called out of town. The young man, the janitor of the rooms where he roomed, saw me on Wednesday, and he says, "You have not seen the captain late, Mr. Gunther?" I said, "No, not for a day or two; is he gone?" He said, "No; he is at home sick," and I said, "What is the matter with him?" He says, "I think he has a touch of the 'flu'; he has been inquiring about you and wanted to know if you couldn't get up to see him." I said, "Certainly, I will; I will fix it some way to get up some time to-day." I went up shortly after lunch, and he was on his cot or bed. We sat there and talked a while. I didn't know then what he was driving at, but I supposed that was what he was driving at. He said, "How is everything?" I said "All right; everything is all right." It was not all right, because if he had been well I would have told him I had been ordered not to take any orders from any man in uniform, which included Capt. Nicholson, the constructor, but being sick and on his back I did not want to put any more worries on him than necessary.

Mr. McCULLOCH. The fact is you were ordered by your boss——

Mr. GUNTHER (interposing). Yes, sir.

Mr. McCULLOCH (continuing). Not to take orders from them?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. Now, just one or two more things and then I am through. Did you ever receive any orders or any directions from your superiors as to keeping in the clear or keeping the men apparently busy?

Mr. GUNTHER. No.

Mr. McCULLOCH. Your work was of a different nature?

Mr. GUNTHER. Different nature; I never received any orders for a thing of that kind; if I had, I don't know what the answer might have been.

Mr. McCULLOCH. Now, when did the McGraths finish their work and leave the camp? Do you remember the date?

Mr. GUNTHER. No, I do not; but I think it was—I don't know; I think it was either the 15th or 20th of February; I am not positive; somewhere in that neighborhood.

Mr. DOREMUS. 1919?

Mr. GUNTHER. Yes; this year.

Mr. McCULLOCH. Around the 1st of February or near that time or near the middle of February, 1919; is that right?

Mr. GUNTHER. That is about it; it was near the middle of February, as near as I can recall to memory, now.

Mr. McCULLOCH. Did you receive or was there handed to you, or did you get a letter signed by D. W. McGrath & Sons, by \_\_\_\_\_, general superintendent, dated January 20, 1919, addressed "To all superintendents, formen, and employees"? I hand you a letter and ask you to look at it and state to the committee whether you ever received such a letter, by having it handed to you, or through the mails or otherwise?

Mr. GUNTHER. Yes; I got this.

Mr. McCULLOCH. And when about did you get it?

Mr. GUNTHER. It must have been about the 1st of February.

Mr. McCULLOCH. 1919?

Mr. GUNTHER. 1919.

Mr. McCULLOCH. And that was about how long before the McGraths left the job?

Mr. GUNTHER. Why, I imagine in the neighborhood of 10 or 15 days—something like that.

Mr. McCULLOCH. I want this letter printed in the record. Was this the only letter of this kind that you received during your services?

Mr. GUNTHER. That is the only letter I ever received on that subject all the time I was there from anybody.

Mr. McCULLOCH. Did you ever receive any instructions along the line of this letter before that time?

Mr. GUNTHER. No instructions.

Mr. McCULLOCH. How did this letter impress you?

Mr. GUNTHER. It impressed me as a joke. I took it as a joke.

Mr. McCULLOCH. Sort of a clean up at the end of the game; is that right?

Mr. GUNTHER. Yes; I took it as a joke; is what I took it for.

Mr. McCULLOCH. Tell the committee why you took it as a joke.

Mr. GUNTHER. Simply because the waste had been going on for two years and then at the final wind-up you get this letter.

Mr. DOREMUS. You had better read the letter.

Mr. McCULLOCH. All right, I will read it.

(The letter referred to was thereupon read and is as follows:)

D. W. McGRATH & SONS,  
UNITED STATES CANTONMENT,  
Chillicothe, Ohio, January 20, 1919.

*To all superintendents, foremen, and other employees:*

It is the earnest desire of D. W. McGrath & Sons, general contractors on the work on this cantonment, to prosecute the work in the most economical manner possible. To this end we are asking your hearty cooperation.

There is an old adage "A penny saved is a penny earned," and along this line we wish to call attention to some things that are a shameful waste of the people's money. In going over the cantonment extension there are many bags of set cement which have been either dumped off by teamsters or trucks, or unloaded and not properly taken care of by the foremen. Each of these is a total waste of two thrift stamps. I have seen kegs of nails buried in the mud, half filled kegs of nails standing in the rain, empty cement sacks by the hundred out in the weather absolutely ruined. I have seen where teams or trucks have driven into piles of sewer pipe or sewer-pipe specials with dollars upon dollars loss as the result. Men who do these things are undesirable employees and will be dismissed as soon as we can find out the guilty ones.

A day's pay is entitled to a day's work in return, and we are all morally and legally bound to give D. W. McGrath & Sons, and through them the Government, an honest hour's work for an hour's pay. We can not do this unless we are on the job ready for work at work time. Quitting time means just what it says, quitting time for work, and not to be 15 minutes walk from our working places. I have seen 7 carpenters, laborers, and foremen around one stove, 25 minutes before quitting time and all of them simply waiting for 4 o'clock. This is dishonest and men doing these things soon lose the confidence of their employers and their own self-respect.

The Good Book says, "Give and it shall be given unto you; good measure, pressed down, shaken together, running over, shall men give unto your bosom. For with the measure with which ye meet the same shall be measured unto you again."



The working time will be 7 a. m. until 11.30 and 12.30 until 4 p. m. Men should not leave their working places until these hours and the trucks will not leave the big tree until 11.35 a. m. and 4.10 p. m. The checking booth will not open until 4.10 p. m.

We hope to have the hearty cooperation of you all to make the finishing of the Camp Sherman extension work conspicuous for its efficiency and lack of waste.

I thank you all in advance, for D. W. McGrath & Sons, the Construction Quartermaster, and myself for your aid in the above, which I know will be forthcoming.

D. W. McGRATH & SONS,  
By \_\_\_\_\_,  
*General Superintendent.*

Mr. McCULLOCH. That letter, you say, was received by you about the 1st of February?

Mr. GUNTHER. About the 1st of February.

Mr. McCULLOCH. And you left the work—

Mr. GUNTHER (interposing). They quit—McGraths left there about the 10th or 15th, somewhere in that neighborhood, if I recollect right. It was just a week or two after I received this letter.

Mr. McCULLOCH. That they left?

Mr. GUNTHER. That they left.

Mr. McCULLOCH. They knew they were going to leave?

Mr. GUNTHER. Yes, sir.

Mr. McCULLOCH. They knew the job was completed?

Mr. GUNTHER. That is the only thing I ever got in that line.

Mr. McCULLOCH. And you regarded it as a joke?

Mr. GUNTHER. When Mr. Swisher brought that to me—he generally would bring these things down to me, and when he brought this and I began to read it, I said, "Oh, hell, what do you think about that?" and we were both laughing over it, you know. I am not the only gentleman that got it. There are others in the house that got it, but I don't know whether they saved theirs.

Mr. McCULLOCH. In the light of what had been going on it was laughable?

Mr. GUNTHER. It was laughable, and I considered it as a joke, and do yet.

Mr. McCULLOCH. That is all.

Mr. DOREMUS. As I understand from you, the McGrath contract was practically completed when you got this letter that Mr. McCulloch has just read?

Mr. GUNTHER. Within a week or two. That is dated the 30th, and they left within a week or two.

Mr. DOREMUS. That is dated January 20.

Mr. GUNTHER. Maybe they left on the 1st of February; I think it was in the neighborhood of 10 or 15 days.

Mr. DOREMUS. When did the McGrath concern come onto this job under that contract? Do you remember?

Mr. GUNTHER. I can not tell you. I was at the hospital; I couldn't tell you just when they came on.

Mr. DOREMUS. When did the McGrath concern first commence doing work there?

Mr. GUNTHER. It was about the holidays of 1917-18, somewhere along about that time; I couldn't tell you, but about that.

Mr. DOREMUS. Quite a good many witnesses have testified that while employed on that job they had been cautioned by the foremen to slow up on their work. Some of them have testified that they were notified by their foremen that if they expected to hold their job they would have to do a little less work.

Mr. GUNTHER. That may have occurred, I defy any man that worked under me to say that I gave any such order as that.

Mr. DOREMUS. You never issued any such orders as that to your men?

Mr. GUNTHER. No, sir; I did not expect my men to kill themselves. I did not crowd them, but I did not think of any such thing as that—I never heard of it until I got in here yesterday.

Mr. DOREMUS. How many men did you have under you at any one time?

Mr. GUNTHER. First, as I say, I had 40—but I don't know just how many—probably 150 or 160 or 170.

Mr. DOREMUS. Did you succeed in getting a reasonable day's labor out of those men which you had?

Mr. GUNTHER. I think I did.

Mr. DOREMUS. What was the extent of waste of lumber and materials on the jobs that you had charge of?

Mr. GUNTHER. On the jobs that I had charge of?

Mr. DOREMUS. Yes; that you personally had charge of?

Mr. GUNTHER. I do not want to say that I did not have any; I do not think I had any that would amount to anything. I used up everything I could possibly use, not only of my own but what I could find of somebody else's.

Mr. DOREMUS. Do you think there were other conscientious foremen on the job?

Mr. GUNTHER. There must have been, certainly; yes.

Mr. DOREMUS. Of course, you have no means of knowing how many were conscientious and who were not?

Mr. GUNTHER. No, sir; the most of them were entire strangers to me. There were a few from my home town there, those that I started with. They placed some in foremanships, because they did not last long—I guess two or three only lasted a week or two, until they were cut out of the foremanship. They couldn't handle it.

Mr. DOREMUS. I understand that on that job there was what was known as the dump pile and also what is known as the scrap pile. Now, in general, what was the nature of the materials that was sent to the dump?

Mr. GUNTHER. Well, now, as I say, in my immediate neighborhood, when the wagons would load up with all kinds of stuff and drove away, I had no way of telling where they went.

Mr. DOREMUS. I suppose you saw that dump a good many times?

Mr. GUNTHER. Oh, yes; I had occasion to pass the dump along the river and you could see it from different parts of the camp. Great clouds of smoke and flames at times going up.

Mr. DOREMUS. What sorts of material did you observe in the dump?

Mr. GUNTHER. All kinds in the dumps, scraps to merchantable lumber and material.

Mr. DOREMUS. Lumber as well as other material?

Mr. GUNTHER. Lumber as well as other material.

Mr. DOREMUS. Now, what sort of material was hauled to what was called the scrap pile?

Mr. GUNTHER. Well, the scrap pile was practically the dump; when they got ready to put a fire on it, if it was the correct distance from the buildings to avoid a fire, or it would be carried away by soldiers or others on the ground.

Mr. DOREMUS. Wasn't there a scrap pile to which they hauled the surplus lumber?

Mr. GUNTHER. Indeed, I couldn't tell you.

Mr. DOREMUS. Well, do you mean to tell us that all material, including the lumber, that was hauled away from the jobs at various times was taken to the dump?

Mr. GUNTHER. Oh, no, I did not see where it was taken; I say it was taken from the place where I was, as much as I could see it, and it came under my observation; it was taken on the wagon and some I found in the dump piles and some in the scrap piles; but whether it was all taken to them or not I do not know; I did not follow them up.

Mr. DOREMUS. You have personally seen what is called the scrap pile?

Mr. GUNTHER. Oh, yes; I have seen it.

Mr. DOREMUS. What did you observe in this scrap lumber pile?

Mr. GUNTHER. Well, to make it plain to you, take the tool boxes—I don't know how many were made there; I possibly made several hundred of them; they were all made out of the scrap lumber that I had gathered out of the scrap pile; the only thing the Government bought in those was the hinges.

Mr. DOREMUS. What I am trying to find out, is whether there was a scrap pile which was separate from what is known as the dump?

Mr. GUNTHER. I do not know. The scrap pile was started in the bed of the canal just above the Liberty Theater. I saw all kinds of material in there. A few days later, when I was going up the pike, why, the first thing I knew I saw it burning, and the fire was so intense every time in passing along the pike in a machine you had to crowd over on the pike to get away from the heat as much as possible.

Mr. DOREMUS. Now, did you see the scrap pile burning or the dump, which?

Mr. GUNTHER. That is, I suppose the scrap pile, whichever it is put in; I hadn't the least idea it was to be made a dump there and burned.

Mr. DOREMUS. I see. Do you know whether this lumber that was taken from the various jobs and after it was carried to the scrap pile, whether any attempt was made to sort it after that?

Mr. GUNTHER. Yes; I believe the gentleman who had charge of the sawmills, he had considerable short stuff; I gave him the patterns for the manhole frames; I used some of the stuff 18 inches long. I made the patterns and he told me he would get it from the scrap pile. I said "Certainly, anything that will make these." It had to be sawed with a hand saw, I said "Anything you can get to make it, it will be all the better." I think he did,

in fact I know he did. And then on these buildings were a great many of what we call spreaders, 22-inch 2 by 4's, that could all be used, and I think a great deal of it was. In the last two months of the building of the camp I think there was some of that taken out of the scrap pile and taken to the mill to be used between the joists and struts.

Mr. DOREMUS. You have testified that you could have taken this lumber that was wasted and burned and built another cantonment the size of Sherman?

Mr. GUNTHER. I did not say that, brother. I beg your pardon. At least I did not intend to say that. I said there was waste enough, in my humble opinion, to build another camp. That is what I intended to say. Maybe I did not get it just that way.

Mr. DOREMUS. Then you think there was nearly enough lumber wasted on the camp to build another cantonment the size of Sherman?

Mr. GUNTHER. In my humble opinion I think there was; that they would have enough to build another one.

Mr. McCULLOCH. Wouldn't it have been possible to have estimated the amount of material for a simple building of the character that was constructed there—

Mr. GUNTHER (interposing). Certainly.

Mr. McCULLOCH. To have ordered the lumber by the proper lengths and to have saved all of the waste that resulted from cutting that went on? Couldn't that have been done?

Mr. GUNTHER. The cutting could have been done at the mill.

Mr. McCULLOCH. The cutting could have been done at the mill?

Mr. GUNTHER. The cutting could all have been done at the mill the same as is done for the ready-cut houses now. They were all uniform. The stuff could have been cut—I think they were to a certain extent—but the joists could have been cut and sent down there and then this one set here and this one here [indicating].

Mr. McCULLOCH. So that the waste would have been reduced to the minimum?

Mr. GUNTHER. There would have been practically no waste.

Mr. McCULLOCH. Now, you say it was done that way in some instances. You have mentioned one, I think. Generally it was not done on that job?

Mr. GUNTHER. No; it could not have been, to have had the amount of wastage that you would see lying around.

Mr. McCULLOCH. And did you observe at any time where men wanted a piece of lumber of a certain length, they could have gotten a piece practically of that same length, that they would take a piece of good board and cut it to pieces?

Mr. GUNTHER. That was a usual occurrence.

Mr. McCULLOCH. That was a common practice?

Mr. GUNTHER. A common practice, yes, sir; amongst a certain class of men. A mechanic or a man who had some get-up about him would not do that. A man that wanted a 3-foot length would hunt a piece of that length. Others, not mechanics, or the jack-legs, would run nearly a half square away to get a 10-foot length to cut a 2-foot piece out of it.

**TESTIMONY OF MR. FRED E. FULLER, 442 SIXTEENTH AVENUE,  
COLUMBUS, OHIO.**

(The witness was sworn by Mr. McKenzie.)

Mr. McKENZIE. Just give your name.

Mr. FULLER. Fred E. Fuller.

Mr. McKENZIE. Where is your home, Mr. Fuller?

Mr. FULLER. Columbus, Ohio.

Mr. McKENZIE. What is your business?

Mr. FULLER. Photograph.

Mr. McKENZIE. How long have you lived here?

Mr. FULLER. About a little over two months.

Mr. McKENZIE. Where was your home?

Mr. FULLER. Chillicothe for two years, about two years.

Mr. McCULLOCH. You live at Chillicothe?

Mr. FULLER. I do not.

Mr. McCULLOCH. Did I get it—where do you live?

Mr. McKENZIE. He lives in Columbus.

Mr. FULLER. I live in Columbus.

Mr. McCULLOCH. You live in Columbus?

Mr. FULLER. 442 Sixteenth Avenue.

Mr. McCULLOCH. Did you have any concession or any contract at Camp Sherman?

Mr. FULLER. I did not.

Mr. McCULLOCH. Did you have a concession there for taking photographs?

Mr. FULLER. I did not.

Mr. McCULLOCH. Did your brother?

Mr. FULLER. My brother did under the firm of Wagner & Fuller.

Mr. McCULLOCH. Were you associated with your brother, or tell us who was in the firm of Wagner & Fuller?

Mr. FULLER. Well, the way that firm was supposed to have been, I am just supposed to have been manager of it, and Wagner is supposed to have been the financial man.

Mr. McCULLOCH. It was a partnership was it?

Mr. FULLER. Yes, sir.

Mr. McCULLOCH. Not a corporation?

Mr. FULLER. Not a corporation.

Mr. McCULLOCH. The concession as I understand was obtained for this partnership; is that right?

Mr. FULLER. Yes, sir.

Mr. McCULLOCH. Will you tell the committee just in your own way how the concession was obtained?

Mr. FULLER. Well, there was supposed to have been bids; I went to Col. Myers oh, two or three months before the concession was let and asked him how the business was to be put out, he says that bid was to be made, in a written bid; he was to put in a certain bid, any bid that you wanted for the concession and on a certain time that these bids were to be gone over and the concession was to be let to one man.

Mr. McCULLOCH. He told you that?

Mr. FULLER. Yes, sir.

Mr. McCULLOCH. You say he told you that personally?

Mr. FULLER. Yes, sir.

Mr. McKENZIE. Who was Col. Myers?

Mr. FULLER. Col. Myers was the man in charge of post exchanges under the Eighty-third Division.

Mr. McKENZIE. Pardon me, was he an Army officer?

Mr. FULLER. He was.

Mr. McKENZIE. Or an official in—

Mr. FULLER. He was an Army officer; yes, sir.

Mr. McCULLOCH. Would he be under Gen. Glenn?

Mr. FULLER. He was under Gen. Glenn.

Mr. McCULLOCH. I suppose the general there—

Mr. FULLER. So far as I know; I could not say for sure he was, but I imagined he was; he was a colonel in the Army, and I suppose he was under Gen. Glenn, the commanding officer.

Mr. McCULLOCH. And he was down to Camp Sherman?

Mr. FULLER. He was down to Camp Sherman; yes, sir.

Mr. McCULLOCH. And he was the man that was supposed to have charge of these concessions?

Mr. FULLER. He was the man supposed to have charge of these concessions, in charge of the concessions, letting of all the concessions.

Mr. McCULLOCH. Who was it, if anybody, who told you to see Col. Myers?

Mr. FULLER. No one at all told me to see Col. Myers; no more than I heard he was the proper man to see; the man who had the letting of the concessions, and I went to see Col. Myers.

Mr. McCULLOCH. Did you put in a bid then?

Mr. FULLER. Yes, sir.

Mr. McCULLOCH. Did you get the contract?

Mr. FULLER. Yes, sir.

Mr. McCULLOCH. I wish you would tell us all about that now; anything that you can bring to the attention of the committee about that.

Mr. FULLER. Well, Col. Myers told me to put in the bid the same as he did all the rest, and I put in a bid; and before I put in this bid I had made quite a few pictures around the camp, bird's-eye views for instance, of different things of the camp. I took the work before Col. Myers and put in my bid, and before it became time to let the contract I was making some pictures and this brother of mine came into the place where I was making the picture—the office—and I hadn't talked to him the past two or three months, and he commented on the work and asked me if I had put in a bid yet on this Camp Sherman job, and I said I had, and he said that he had put in a bid with a Mr. Wagner, Mr. Wagner being the financial man and that he had a party who could swing the deal down there and there was no chance for anyone else to get it and that he was going to Chillicothe that afternoon and asked me if I cared to ride down with him, and so I told him I would ride down in the machine with him, and we went down to Chillicothe, and at Chillicothe I was introduced to Mr. Alexander—and he was a man—

Mr. McCULLOCH. That is R. D. Alexander?

Mr. FULLER. R. D. Alexander, Robert D. Alexander, in the State commission or something over in the Wyandotte Building and Mr. Alexander was the man that was supposed to have landed the contract.



**Mr. McCULLOCH.** Whom did he land it for?

**Mr. FULLER.** He landed it—Col. Myers told me it was supposed to have been for me.

**Mr. McCULLOCH.** Now, go ahead with it; tell us about that.

**Mr. FULLER.** Col. Myers told me—I didn't know at the time how the thing just exactly—I was supposed to get a certain percentage on the work for managing the job, and I went to Camp Perry to make some pictures of some organizations at Camp Perry, and while I was gone this brother went to Col. Myers—this is what Col. Myers told me—and told him that our arrangements had been made, and the contract was to be signed in Wagner's name; so they signed that contract up while I was gone, and I was not put on the contract. But it was only a short time after, I couldn't get along with them; I seen I couldn't do any business, so I quit. But in the meantime Col. Myers told me that day that the contract was let to me. Bob Alexander and myself—R. D. Alexander and myself—was in his office. "Well, now," he says, "I am going to look these bids over." He went in the office and came back out; he was in there, I suppose, 10 minutes to look over, I imagine—well, I know of 35 or 40 different bids that was in there on the concession. He came back out, and he says, "Well," he says, "there are people who have offered more percentage for this thing."

**Mr. McCULLOCH.** Who said that, Myers?

**Mr. FULLER.** Myers, Col. Myers said, "There has been better offers than what you have been giving; can't you make it"—my bid was 25 per cent—he says, "can't you make it 30?" But I said, "No, 25 per cent is all I feel I can give, and give the boys real work and service." So we talked a little while, and finally he says, "You have made the deal," or "you have made a bargain," or "you have made a deal." He was a southerner and made a kind of a funny expression, and after that he said to me that day, "Now, you boys will have to take care of Alexander on this thing before this contract is signed up."

**Mr. McCULLOCH.** That was a pretty important suggestion?

**Mr. FULLER.** That was pretty important.

**Mr. McCULLOCH.** What did you say to him about it?

**Mr. FULLER.** I did not know anything about it exactly, but had been done on the thing. Then I heard the talk between Alexander and Myers in Alexander's office on Paint Street.

**Mr. McCULLOCH.** That is, Col. Myers.

**Mr. FULLER.** No, no; Alexander and Wagner, I mean to say, instead of Myers, on what Alexander was to get out of this thing. So this man Wagner offered to give Alexander a Pierce-Arrow; wanted to buy him a Pierce-Arrow for what he had done in signing the deal. Alexander said that he would not do that, so that last account of it I had was that they was to give him \$100 a week.

**Mr. McCULLOCH.** On the concession?

**Mr. FULLER.** On the concession; that is what he was to get for getting the concession.

**Mr. McCULLOCH.** Now, let us understand, did Col. Myers tell you that they had to take care of Alexander?

**Mr. FULLER.** He told me; yes, sir; absolutely; he says to me, "This man Alexander must be taken care of."

Mr. McCULLOCH. And did you ask him what he meant by taking care of?

Mr. FULLER. No; I didn't ask him what he meant because Alexander—the way the thing was put up to me through this brother and Wagner, Alexander was the man that formed this deal, and nobody else could swing it; it had to be swung through Alexander or it couldn't be swung.

Mr. McCULLOCH. He wasn't an officer?

Mr. FULLER. Not an officer; he was a fixture.

Mr. McCULLOCH. Myers was an officer at that time?

Mr. FULLER. Col. Myers was an officer.

Mr. McCULLOCH. He was working for the Government?

Mr. FULLER. There was a lot of things done on that concession, the way Alexander worked it. He claimed he went before the concession was let, before we had the contract at all, Alexander went to Maj. Glenn one day. I went to his office with him, took him there in a machine, and he made some kind of an arrangement for Gov. Cox to be down there and arranged with Gen. Glenn for a moving-picture work. Then he went to Col. Myers and told Col. Myers about arranging this, and so on, and so forth. There was a lot of different things pulled. Alexander said, also, one day—I don't know whether he felt himself slipping a little bit—he said, "Well, I have got one more string I am going to pull today; I have got a girl whom I am going to have come to Chillicothe to work for Col. Myers, and I think she will get under his hide."

Mr. McCULLOCH. For Col. Myers?

Mr. FULLER. For Col. Myers. This girl come in and went to work for Col. Myers, at the Post Exchange No. 1. I was in a public conveyance when this girl came to Chillicothe and came to his office and got in the machine and went out. After this concession, after they treated me the way they did on this concession I went out and explained to him how they treated me, and I told Col. Myers I went and done all the work of this thing and got it started and explained what they had done to me in the thing.

Mr. McCULLOCH. You had put in that bid?

Mr. FULLER. I was the one who put in the bid. He says, "Fuller, the thing was intended for you." I said, "How does it come I did not get it?" That is the time he said, "That is very satisfactory; it was all right to go to Wagner." He said, "I will do something for you instead. These fellows have violated their contract in many ways."

Mr. McCULLOCH. Now, what I want to get back to is just what the contract was.

Mr. FULLER. There was a contract with the Government to give them 25 per cent, turned in to the exchange. They took their money every day; every night they came to your register.

Mr. McCULLOCH. The post exchange did that?

Mr. FULLER. That went into the post exchange.

Mr. McCULLOCH. Into a Government fund?

Mr. FULLER. I don't know; no; yes, I guess—I don't know what the fund was; it was a Government fund.

Mr. McKENZIE. Well, have him explain, if he can, just what that post exchange is.

Mr. McCULLOCH. Do you know what the post exchange fund is?

Mr. FULLER. Well, my opinion, or my idea of a post exchange was Government funds. That is what I thought it was.

Mr. McCULLOCH. Well, that, of course, you understood was going to the Government?

Mr. FULLER. I understood the Government was to get 25 per cent. Here is what Col. Myers said to me: He said to me, "If this contract was made now I can't give you a contract. It is not your concession." That is the way he placed it. He says, "It is not your concession; it is my concession, and you are working for me, and I am giving you 75 per cent for working, and keeping 25." That was the remark that he made.

Mr. McCULLOCH. And the understanding was that 25 per cent was to go to the post exchange?

Mr. FULLER. To the Government, which it did. They had a lieutenant—a first lieutenant, if I remember right; a first lieutenant—that came in every night and took off of our register and took 25—no, they took all of the money; they took 100 per cent of the money, but at the end of 30 days he gave you back 75 per cent.

Mr. McCULLOCH. You kept an account?

Mr. FULLER. Oh, yes, kept an account; they gave you a receipt every day.

Mr. McCULLOCH. Now, you were told by Col. Myers in order to get that concession you had to take care of Alexander?

Mr. FULLER. No; here is the way it was placed. After Col. Myers says—he either said, "You have made a trade, or you have made a deal;" he give me to understand we had the concession; after we had that he said, "You must take care of Alexander."

Mr. McCULLOCH. Before the contract is signed?

Mr. FULLER. On this proposition; yes, sir.

Mr. McCULLOCH. And was Alexander taken care of?

Mr. FULLER. Well, now, that I can't say any more than just what I heard, because I was away quite a bit of the time; my understanding was that—well that was the understanding they had right before me, Alexander and Wagner, that he was to get \$100 a week. Now, this man Wagner is in Akron, Ohio, the man that the contract was made with, and he can tell you exactly.

Mr. McCULLOCH. It was to be \$100 a week in addition to the 25 per cent.

Mr. FULLER. No; you have got that wrong; yes, yes, surely, \$100 a week that Alexander was to receive; that had nothing to do with the post-exchange money at all.

Mr. McCULLOCH. And it was to come out of the 25 per cent or the 75 per cent?

Mr. FULLER. No; that was not to come out of the 25.

Mr. McCULLOCH. The Government was going to get?

Mr. FULLER. Made the 25 clean.

Mr. McCULLOCH. The persons that had that contract who were going to pay for Alexander had to pay out of theirs?

Mr. FULLER. Yes, sir.

Mr. McCULLOCH. Out of their own pocket?

Mr. FULLER. Absolutely out of their own pocket. I know another thing—that after I was let out, after I left the camp, that I tried

time and time and time again and had direct passes from Washington, and was never allowed to get on that ground until after the Eighty-third Division left.

Mr. McCULLOCH. Who kept you out?

Mr. FULLER. The post-exchange officers and the man that issued the passes down there; and as soon as the Ninety-fourth came in, why, I came in—why, I went on the camp and worked.

I asked Col. Myers if this concession was exclusive, and he said yes, it was exclusive concession, but anyone could work there. So the only thing we could do to keep the other people out was to bluff them. He says if they have got the backbone to go ahead and work, we can't stop them; we can't stop anyone from working; that is the best that we can do; we can bluff them and keep them out.

Mr. McCULLOCH. I will ask you this final question about it: What do you say? Did the financial standing, the percentage offered, or the price at which the pictures were to be sold determine who was to get that concession?

Mr. FULLER. I don't think—in my opinion it did not.

Mr. McCULLOCH. And what did determine it, in your opinion?

Mr. FULLER. Why, Bob Alexander, was my opinion of it; I couldn't see anything else.

Mr. McCULLOCH. And in order to get that concession you understood from Col. Myers that Alexander had to be satisfied, taken care of?

Mr. FULLER. He told me that after the concession was let; after he told me we had the concession, he said we had to take care of Col. Myers.

Mr. McCULLOCH. Alexander.

Mr. FULLER. Or Alexander—Col. Myers said we had to take care of Alexander.

Mr. McCULLOCH. What are Wagner's initials?

Mr. FULLER. R. E. Wagner.

Mr. McCULLOCH. He lives in Akron?

Mr. FULLER. Akron.

Mr. McCULLOCH. He is a photographer?

Mr. FULLER. No, sir; he has a penny arcade; he never looked through a camera in his life; he was supposed to be the financial man. He didn't have \$4.

Mr. McKENZIE. Who was this man Alexander? I didn't catch your explanation of that?

Mr. FULLER. Bob Alexander; I think he was on—he was some kind of a State officer, or something.

A VOICE. State tax commission.

Mr. FULLER. He was on the State tax commission, he was—that is what he was, over in the Wyandotte Building; had offices in the Wyandotte Building and also offices in Chillicothe.

Mr. McKENZIE. Did he hold any position at all at Camp Sherman?

Mr. FULLER. Not a thing.

Mr. McKENZIE. Just working on the outside. Well, now, you understand the post exchange is provided for by law, at military posts, camps, and intended to furnish recreation and amusement.

Mr. FULLER. For the officers.

Mr. McKENZIE. Social amusement.

Mr. FULLER. Was my understanding.

Mr. McKENZIE. And appropriations are made by Congress to keep up these various post exchanges at Army encampments, and it is proper military activity at any camp. Now, the question of getting this percentage, that is another proposition that will have to be looked into later.

Was this man Alexander and Col. Myers good friends, so far as you know?

Mr. FULLER. Seemingly, they were very good friends; I met them together on several different occasions, and they seemed to be very friendly.

Mr. McKENZIE. Well, now, what is your opinion about that, Mr. Fuller; that they were trying to hold you up or touch you for some money?

Mr. FULLER. In my opinion, why, they wasn't trying to hold me; I know they wasn't trying to hold me up; the only thing I know is, I know Alexander handled the thing and was the only man they claimed who could fix it, the concession. Now, whether Col. Myers got anything out of it or not, I don't know, but I do know that Alexander did.

Mr. McCULLOCH. You do know in order to get the contract he had to pay Alexander money or pay it——

Mr. FULLER. That was what was told me, that is what was done.

Mr. McCULLOCH. So that contrary to getting the money out of you, it was to get money out of the contract, out of the concession?

Mr. FULLER. That is what it was; it was just the same as saying to me, "I can get a contract for you; will you give me so much?" That is the whole proposition.

Mr. McKENZIE. You knew that Alexander had no right to be paid at that time?

Mr. FULLER. Yes, sir; and I made this remark to Wagner. I said, "this don't look good." I also said to Myers, "This did not look good to me, this looks like a crooked deal." And he said, to me, "if you are dealing with crooks you have to be crooked," and I went right in Col. Myers's office and told him everything that had come, what they had said when——

Mr. McKENZIE. Who said that?

Mr. FULLER. I said this man Wagner said——

Mr. McKENZIE. You are dealing with crooks?

Mr. FULLER. You have to deal crooked and I went to Col. Myers, and he said, "did they say that about me," and I said, "they surely did," and he going to call them right on the carpet but he never did.

Mr. McKENZIE. He was referring to Col. Myers and Alexander?

Mr. FULLER. Absolutely.

Mr. McKENZIE. You say you know that Alexander got his?

Mr. FULLER. I never seen any money paid over; I know that they had said that he was to get it, just the same as if I would say to you I will give you \$100 or \$200 or I will give you a Pierce-Arrow if you do a certain thing for me. I think possibly this man Boulger that handled Bob Alexander's business in Chillicothe can tell you exactly; I understand he got Wagner's stock tied up because he did not pay Alexander \$100 a week; he fell shy of all paying it and Boulger had it tied up; I think Boulger could give you the trend of it.

Mr. McKENZIE. He lived in Chillicothe?

Mr. FULLER. Bob Alexander lived in Chillicothe.

Mr. McKENZIE. This man Boulger?

Mr. FULLER. Yes, sir; he is an attorney in Chillicothe.

Mr. McKENZIE. Were you willing to enter into that part of the agreement in order to get the concession?

Mr. FULLER. I was managing this proposition on a 10 per cent basis; that is what I was to get out of it for my work.

Mr. McKENZIE. Go ahead Mr. Doremus.

Mr. DOREMUS. I wasn't here when you began your testimony and I will ask you a question or two for the purpose of getting the thing right in my mind. Who was Col. Myers?

Mr. FULLER. Col. Myers was the colonel in charge of the post exchange.

Mr. McKENZIE. At?

Mr. FULLER. Camp Sherman.

Mr. McKENZIE. Did he have charge of letting these various concessions.

Mr. FULLER. Yes, sir.

Mr. McKENZIE. It was a part of his work?

Mr. FULLER. As I understand it.

Mr. McKENZIE. The particular concession being considered now was for the moving pictures?

Mr. FULLER. Moving pictures and photographs, still panoramic, the soldiers and individuals.

Mr. McKENZIE. The man that got the concession had the liberty of going on the grounds?

Mr. FULLER. Having places on the grounds, having studios right on the grounds.

Mr. DOREMUS. For the purpose of making moving pictures and also—

Mr. FULLER. Taking individual photographs and the groups.

Mr. DOREMUS. Of the soldiers and groups?

Mr. FULLER. Yes, sir.

Mr. DOREMUS. Did Col. Myers advertise for bids for this concession?

Mr. FULLER. I couldn't say that there was ever any advertising done; the photographers, the same as all other concerns throughout the country, knew that this thing was existing and, of course, solicited him for the business, and the best he would say about it when you went to him, "Send in a written bid."

Mr. DOREMUS. Bids were received as a matter of fact?

Mr. FULLER. Yes, sir.

Mr. DOREMUS. Were very many bids received?

Mr. FULLER. Well, now I could not say about that; I know of people that told me they had sent in bids; of course, I didn't see those even, and I could not say how many were received any more than people told me they had bid on the proposition.

Mr. DOREMUS. Well, now after the bids were received what happened?

Mr. FULLER. Well, it happened that the contract was given to Wagner.

Mr. DOREMUS. What were Wagner's initials?

Mr. FULLER. R. E. Wagner is a man of Akron; I can't tell you his address; he has a penny arcade in Akron, Ohio.

Mr. DOREMUS. Did you submit a bid?

Mr. FULLER. I submitted a bid, yes, sir; Wagner was in no way connected with me when I made the bid. After I had made the bid Wagner claimed that he had put in a bid; whether Wagner ever put in a bid or not I do not know, but I do know that I was to get 10 per cent of the profits that came in off of this thing if Wagner got the deal.

Mr. DOREMUS. Was anybody connected with Wagner?

Mr. FULLER. A man by the name of Fuller, James P. Fuller, was connected with Wagner.

Mr. DOREMUS. Was he any relation to you?

Mr. FULLER. Yes, sir; all of them were partners.

Mr. DOREMUS. What?

Mr. FULLER. Brother.

Mr. DOREMUS. Now, as I understand, that Wagner and your brother put in a bid?

Mr. FULLER. They were the ones that had the contract, Wagner and Fuller were the ones the contract was supposed to have been given to.

Mr. DOREMUS. Well, I think you have testified that Col. Wagner told you—

Mr. FULLER. Col. Myers.

Mr. DOREMUS. Or Col. Myers told you that you had received the concession.

Mr. FULLER. No; he said that Wagner—that Bob Alexander and myself, and I can't just recall who else was in the room at the time, whether Wagner or Fuller was there, but I believe that Fuller was the other—was there, I wasn't so sure about it, but when he came out he talked to both Bob Alexander and myself and said that you had made a deal or made a bargain or something like that; he was a Southerner and he made a funny expression; I don't know just what the expression he used.

Mr. DOREMUS. Was that on the assumption that you had received the contract or the concession?

Mr. FULLER. Well, I can't tell you anything—I don't know anything about how that was. I know how the thing finally finished, and that is all I know. I know that I didn't get anything out of it; I never got in that contract in any way.

Mr. DOREMUS. But you did submit a bid?

Mr. FULLER. I submitted a bid the same as many others.

Mr. DOREMUS. And Wagner and your brother jointly submitted a bid?

Mr. FULLER. Yes, sir.

Mr. DOREMUS. And Wagner and your brother received that concession?

Mr. FULLER. Yes, sir.

Mr. DOREMUS. Do you know who put in the lowest bid or the most advantageous bid for the Government?

Mr. FULLER. Well, I believe that Col. Myers—I wouldn't say this as sure, but it seems to me that Col. Myers said there were bids all the way as high as 40 per cent; I think I know one man now



who has a copy of his bid that he put in that was 40 per cent—a man by the name of George C. Lore of Buckeye Lake.

Mr. DOREMUS. Now, you say you think that is so; are you positive of it?

Mr. FULLER. I wouldn't say that is positive; I have read his bid or read his contract, or read his bid that he put in, and my recollection of it is that he put in 40 per cent; I am almost positive that is it, and you can get him by telephone and he will come over and show that; he has a copy of it.

Mr. DOREMUS. What was the Wagner and Fuller bid?

Mr. FULLER. Twenty-five per cent.

Mr. DOREMUS. Twenty-five per cent?

Mr. FULLER. Yes, sir; it was succeeding me in my bid.

Mr. DOREMUS. And what was your bid?

Mr. FULLER. My bid was 25 per cent.

Mr. DOREMUS. Twenty-five?

Mr. FULLER. Those bids ran 30, 33, 35.

Mr. DOREMUS. Then are we to conclude from what you say, that the concession was not awarded to the lowest bidder?

Mr. FULLER. Well, if there were bids that were in for 40 per cent and the bid that got it was 25, it couldn't be anything else.

Mr. DOREMUS. Well, that is what you know—do you know—are you willing to testify that there was a bid received above 25 per cent?

Mr. FULLER. No, sir; I wouldn't say positive that there was. I believe that I can produce a man that put in a bid of 40 per cent.

Mr. McCULLOCH. What was his name?

Mr. FULLER. George C. Lore; I think I can get another man—and that Col. Myers told me—produce a man named Livingston, of Livingston & Herrick, Toledo, Ohio, who sent a bid, if I remember rightly, for 30 or 35.

Mr. DOREMUS. Don't you think it is quite important to try to find out what these bids were?

Mr. McCULLOCH. Without doubt. There is one thing I wanted to know, whether these men were financially responsible.

Mr. FULLER. They were; they were people who were financially responsible, and you were supposed to put up a \$100,000 bond, or something like that; this man Wagner was—Col. Myers told me—gave him a sworn statement that he was worth \$100,000, and he wasn't worth \$500, and I told Col. Myers this.

Mr. DOREMUS. Are you willing to testify that responsible bidders, men who were financially responsible, put in bids above 25 per cent?

Mr. FULLER. Well, it is pretty hard for me to tell: here I was; I would see them, but I didn't see a thing in his bid. But I feel most sure that one bid was 40 per cent. I will tell you where you can get a man in five minutes, a man by the name of Coles, room 203, Eberly—I don't believe it is even called Eberly; it is at the corner of Rich and High—that had a bid in here in the city.

Mr. McCULLOCH. Do you know what his bid was?

Mr. FULLER. No; I don't; but I think it was 35 per cent.

Mr. McCULLOCH. Was he financially responsible?

Mr. FULLER. He might not have had any means, but he might have backing.

Mr. McCULLOCH. Can you give us the names of any other men or any other firms that you know bid; that submitted bids?

Mr. FULLER. There was this man Lore of Buckeye Lake; he was financially responsible. There was Livingston & Herrick, who were financially responsible.

Mr. McCULLOCH. Where are they?

Mr. FULLER. They are at Toledo, Ohio.

Mr. McCULLOCH. Do you know who represented them?

Mr. FULLER. Mr. Livingston; he later had a studio in Chillicothe.

Mr. McCULLOCH. Now, any other firms you know of?

Mr. FULLER. Well, there were several different firms, but I don't just recall who they were. It would seem pretty easy; I could get for you in the next two days possibly 8 or 10 different concerns that had in bids and would be willing to come and testify what they do know.

Mr. DOREMUS. Let me ask you whether you consider this bid that was accepted a fair bid to the Government?

Mr. FULLER. This bid that was accepted was a fair bid to the Government had it been handled right and the boys got what they paid for. There was no question about that at all, as far as the bid was concerned there was no question; I don't think there was a man living that could go down there and give up 40 per cent and even make a good living out of it.

Mr. DOREMUS. Have you had any experience on these concessions in other camps besides Camp Sherman?

Mr. FULLER. No, sir; I had taken pictures at other camps, but I never paid no percentage.

Mr. DOREMUS. Never submitted a bid?

Mr. FULLER. No, sir; never submitted a bid; no, sir.

Mr. DOREMUS. At any other camp?

Mr. FULLER. No, sir; because my understanding always has been and because there was not anyone allowed exclusive concession on a Government cantonment. I think there is a law to that effect that there is no exclusive concession.

Mr. DOREMUS. You said something when you were testifying in answer to Mr. McCulloch's questions about a man by the name of Alexander getting a rake-off in this concession. Who was Alexander?

Mr. FULLER. R. D. Alexander was State road commissioner—was his position.

Mr. DOREMUS. Who?

Mr. FULLER. I think he was State road commissioner—or State tax commissioner—State tax commissioner had offices in the Wyandotte Building.

Mr. DOREMUS. Did you testify at this hearing that Alexander did get a rake-off?

Mr. FULLER. Yes, sir.

Mr. DOREMUS. And what is the basis for that statement?

Mr. FULLER. Well, any more than just what I heard—he and this man Wagner, who had the concession; Wagner offered to give him a Pierce-Arrow for what he had done in the proposition.

Mr. DOREMUS. You heard that offer made?

Mr. FULLER. I heard that offer made; yes, sir, absolutely did. And Alexander and this man Fuller and Wagner were talking the

thing over and he said, well, he didn't think he wanted the Pierce-Arrow. He thinks he would rather have \$100 a month.

Mr. DOREMUS. You heard Alexander tell Wagner that he didn't want that.

Mr. FULLER. No, he wanted \$100 a month—or a week.

Mr. DOREMUS. You heard Alexander tell Wagner?

Mr. FULLER. Yes, sir; I heard—

Mr. DOREMUS. He wanted \$100 a week or a month?

Mr. FULLER. A week. If I said month I meant to say week.

Mr. McCULLOCH. You said week at first.

Mr. FULLER. Did I say month?

Mr. McCULLOCH. You said week.

Mr. FULLER. Well, that is what I meant to say—a week.

Mr. DOREMUS. Well, now what do you know of your own knowledge as to whether that arrangement between Alexander and Wagner was carried out?

Mr. FULLER. The only thing I know was this, and I couldn't tell you who told me, but somebody told me in the camp that Wagner had failed to make his payment to Alexander and that all his stock had been tied up in the arrangement for making payment; I do not know; I could not say whether he got his money. I know if he did get his money he was lucky.

Mr. McCULLOCH. I understand in addition to this Col. Myers said to you, "you have got the deal, but before you get the contract signed you will have to take care of Alexander." Is that right?

Mr. FULLER. Yes.

Mr. DOREMUS. Have you given Col. Myers's full name?

Mr. FULLER. Lieut. Col. Myers—I can't think of it.

Mr. DOREMUS. Do you know whether he is at Camp Sherman now?

Mr. FULLER. So far as I know—well, in fact, I know positively Col. Myers left with the—was it the Eighty-third, the First Division?—the Eighty-third, that Col. Myers left with, the Eighty-third and Capt. Graham took his place?

#### TESTIMONY OF MR. ELIAS BROWN, OF R. F. D. NO. 8, CHILLICOTHE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Elias Brown, and you live at Chillicothe?

Mr. BROWN. I live out in the rural district from Chillicothe.

Mr. McCULLOCH. Live in the country; are you a farmer?

Mr. BROWN. No; a carpenter.

Mr. McCULLOCH. You are a carpenter, and you live on a farm?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. R. F. D. No. 4?

Mr. BROWN. No. 8.

Mr. McCULLOCH. Were you employed at Camp Sherman?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. How long?

Mr. BROWN. From the 3d of July, 1917, up until the present time; still employed there.

Mr. McCULLOCH. Third of July?

Mr. BROWN. 1917, I think; when Bentley's first started.

Mr. McCULLOCH. You have been there all the time?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Did you work—you worked first for Bentley?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Then for McGrath?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Now you are working—

Mr. BROWN. For the utilities.

Mr. McCULLOCH. For the Government?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Who are you under now?

Mr. BROWN. Maj. Swallow.

Mr. McCULLOCH. What experience had you had as a carpenter before you went to work for Camp Sherman?

Mr. BROWN. About seven years' experience.

Mr. McCULLOCH. Were you employed as a foreman under the Bentley Construction Co.?

Mr. BROWN. No, sir; no, sir; just as a carpenter.

Mr. McCULLOCH. You were a foreman, however, under the McGrath contract?

Mr. BROWN. Under the McGrath.

Mr. McCULLOCH. I wish you would tell the committee now as briefly as you can, but covering the ground, what you observed in regard to the waste of materials on that job, both under Bentley and—

Mr. BROWN. I don't think there is any one man would be able to tell the quantity of material that was lost and wasted at Camp Sherman. Last Wednesday, a week ago, I went over to section W to repair a building and there was under this building—we had cause to go in to get a piece of timber, a stick, or stop for a door; when I went under there was seven kegs of nails; three of them had been opened and four of them had never been opened, and four or five panel doors that had been laying there since the building had been built.

Mr. McCULLOCH. Just under that one building?

Mr. BROWN. Under that building in section W.

Mr. McCULLOCH. What was the condition of the nails and doors?

Mr. BROWN. The nails were rusted, the ones that were opened; the others I didn't see them opened; I could not say, but the ones that were open were rusted.

Mr. McCULLOCH. The doors water-soaked?

Mr. BROWN. Yes; they were and the place they were on the ground was water-soaked and mouldy.

Mr. McCULLOCH. Have you any other instances which would indicate and show the way—

Mr. BROWN. Well; employed as a carpenter, of course I didn't get to see it as much as I saw it hauled away from the buildings. I don't know where it went; there was any amount of roofing paper, plaster board, nails and that kind of material was taken away but I could not say where it went.

Mr. McCULLOCH. Did you ever see bonfires?

Mr. BROWN. I saw bonfires; yes, sir.

Mr. McCULLOCH. See what was on the bonfires?

Mr. BROWN. I was not close enough to see what was on them but we seen the stuff that went to them.

Mr. McCULLOCH. What kind of stuff was it?

Mr. BROWN. All kinds of material that was used in construction work.

Mr. McCULLOCH. Valuable material?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Good material?

Mr. BROWN. Yes, sir; good material.

Mr. McCULLOCH. What do you know about the orders to clean out the buildings; how was it done.

Mr. BROWN. Well, when a building was completed; just give them orders to clean out; everything that was in that building was thrown out in a pile.

Mr. McCULLOCH. Whether it it was bundles of lumber——

Mr. BROWN. Whether it was bundles of lumber, the material that came, any material, the finest of lumber went with the rest.

Mr. McCULLOCH. Even good lumber?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Flooring and that kind of lumber?

Mr. BROWN. Flooring and the siding, the finest of lumber, plaster board, anything that was in the building was thrown out.

Mr. McCULLOCH. Went onto the pile and was taken——

Mr. BROWN. Went outside and was taken away.

Mr. McCULLOCH. Was there any attempt made that you saw to salvage it?

Mr. BROWN. No, sir. I didn't see any one try to save any; it was all thrown together and hauled away.

Mr. McCULLOCH. And you understand it was being destroyed or wasted?

Mr. BROWN. Destroyed; yes, sir.

Mr. McCULLOCH. Destroyed?

Mr. BROWN. Yes, sir; I didn't see it myself, the drivers said it was all hauled out and burned up; we didn't know because I didn't see that part of it myself.

Mr. McCULLOCH. Did you ever observe carelessness in running over lumber with wagons and trucks?

Mr. BROWN. The carelessness that I observed more than anything else was trucks coming—had those trucks that would dump—had them loaded with paper or roofing paper or material of all descriptions and they would dump them and if it broke it all right, it was all right, and if it didn't break it was all right, and you know that roofing paper, if you dump it and leave it lay on the side for any length of time, in warm weather, the majority of it is ruined.

Mr. McCULLOCH. Did that occur?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Frequently?

Mr. BROWN. Frequently, quite often.

Mr. McCULLOCH. Give us just a general statement if you will as to what your personal opinion is—of course it can only be an opinion.

Mr. BROWN. I don't feel there would be anyone able to estimate the loss to anyways near what it was; I don't think there would be

any use for me to sit here and try to tell you what the losses around were; there isn't anyone who would be able to tell what it was.

Mr. McCULLOCH. You say it was enormous.

Mr. BROWN. I think it would be useless for me to sit here and try to tell you people what the loss was at Camp Sherman.

Mr. McCULLOCH. For what reason, because it was so great?

Mr. BROWN. So great; yes, sir; it was so great—immense, that anything—I don't think there is anyone could tell.

Mr. McCULLOCH. Now, there were representatives of the contractor on the job, were there?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Who would be—the superintendent?

Mr. BROWN. Well, under the Bentley it was their block foremen and your foremen that you worked under.

Mr. McCULLOCH. That would be your field foreman?

Mr. BROWN. The field foreman.

Mr. McCULLOCH. The field foreman and block superintendent, and then back to the superintendent?

Mr. BROWN. Then it would be back to the superintendent.

Mr. McCULLOCH. These men were on the job moving about more or less, were they?

Mr. BROWN. Your foreman was, but the others you would see once in a while.

Mr. McCULLOCH. Were they in a position to know?

Mr. BROWN. I think so.

Mr. McCULLOCH. All about it?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. How do you account for their not remedying these conditions?

Mr. BROWN. Well, I think it was carelessness in the contractor in not having men that was capable there of looking after the work.

Mr. McCULLOCH. They could have known about it if they had attempted to find out?

Mr. BROWN. Why, yes; it was easy to see.

Mr. McCULLOCH. And they probably did know about it?

Mr. BROWN. I think so.

Mr. McCULLOCH. Do you think they knew all about it?

Mr. BROWN. I think they did.

Mr. McCULLOCH. They could not help but know about it, could they?

Mr. BROWN. No.

Mr. McCULLOCH. And how long did this waste continue? Give us the period of time over which it continued—during which that continued?

Mr. BROWN. Ever since I have been at Camp Sherman.

Mr. McCULLOCH. It has been how long?

Mr. BROWN. Well, I went there in 1917, in July, and I am still there.

Mr. McCULLOCH. A period of over two years?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. You have detailed and told us about the waste of material; give us some idea about how the men worked; the number of men, whether too many on a job?

Mr. BROWN. There were too many men; I have worked on buildings for the Bentley people, where there were 200 of us on one of those small barracks; men would just stand around in each other's way; the first building that I helped erect was a bunk house, and so many men got on it that it collapsed; they were sheathing it, and it spread and let the men down in, and there was over 100 men went down into that building.

Mr. McCULLOCH. And it was due to the fact that they had too many men on it; is that it?

Mr. BROWN. There was too many men on it; yes, sir.

Mr. McCULLOCH. What would you say as to whether the men would do a day's work?

Mr. BROWN. Well, I think some of the carpenters there tried to do what they should have done, but the unskilled labor, it was hard for anybody to work so many unskilled men as they had there, and I don't think anyone hurt themselves.

Mr. McCULLOCH. You think there was a tendency to idle the time away?

Mr. BROWN. I think so.

Mr. McCULLOCH. Was that general—that tendency general?

Mr. BROWN. Yes, sir; it was.

Mr. McCULLOCH. Among the carpenters; you know the men who were on the job as carpenters?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. What do you say as to the effect of having too many men on a job as it would relate to speeding up the work or retarding it.

Mr. BROWN. Well, it would retard the work, having too many on.

Mr. McKENZIE. May I interject and ask him a question?

Mr. McCULLOCH. Yes.

Mr. McKENZIE. At the time you were working there under the Bentley Construction Co., did you know of the character of contract that the Bentleys had with the Government?

Mr. BROWN. I did not; no, sir.

Mr. McKENZIE. You didn't know anything about that?

Mr. BROWN. No, sir.

Mr. McKENZIE. You didn't hear it discussed among the men?

Mr. BROWN. No, sir.

Mr. McCULLOCH. Did you know that they got a percentage—were going to get a percentage?

Mr. BROWN. We knew that; we heard that from the time the camp started, but then I didn't hear it from any official source; we just had the hearsay, that they got so much.

Mr. McCULLOCH. The more it cost, the more they would get?

Mr. BROWN. They told us the more they spent, the more they got. That is all we heard.

Mr. McCULLOCH. That is, who told you that?

Mr. BROWN. Why, the men, the foremen and the men that you would hear talking through the camp—discussed through the camp before the camp started.

Mr. McCULLOCH. Did you hear any foremen say the more it costs, the more we get?

Mr. BROWN. I have heard several of them say that the more they would spend, the more money that was spent there, the more the bosses would get; that is the way it was reported around the jobs.

Mr. McKENZIE. Well, now, if I may interject again, the part I want to get at, if you knew that and your associates knew whether that had a tendency to make you fell at least that it wasn't important that you do a day's work.

Mr. BROWN. Well, this is the way we felt about it; this is in war time and we thought that we should do our bit, to do and do what we could, but if we did more than what the others did, you would be discharged and you would do nothing in war time.

Mr. McKENZIE. That is the way you felt?

Mr. BROWN. That is the way I felt about it.

Mr. McCULLOCH. Are you through?

Mr. McKENZIE. Yes.

Mr. McCULLOCH. On the matter of discharge, that is important—how did you get that impression that you would be discharged if you did more?

Mr. BROWN. If you went ahead and did more, you would get discharged; that is all there was of it; if you went there as a carpenter and you had a fellow working at the side of you that was not a carpenter, and you would do more than he did, well, then, the fellow would come around and say, "What are you trying to do, kill your job? You will have to take it a little easy or I will have to discharge you if you go ahead that way."

Mr. McCULLOCH. The foreman told you that?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Will you tell us how often that occurred to you?

Mr. BROWN. Well, I don't know as I could tell you how often that would occur, but it occurred several times.

Mr. McCULLOCH. Did it occur under the Bentley contract?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Could you give us the name of any foreman that told you that?

Mr. BROWN. Fred Wholgemuth.

Mr. McCULLOCH. Did he tell you more than that?

Mr. DOREMUS. Did you get his name, the spelling—

A VOICE. W-h-o-l-g-e-m-u-t-h.

Mr. McCULLOCH. And what are his initials?

Mr. BROWN. Fred Wholgemuth.

Mr. McCULLOCH. Did he tell you that more than once?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Did he tell you that in the presence of anybody?

Mr. BROWN. Told it in the presence of all the men.

Mr. McCULLOCH. They all heard it?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Now, just tell us what he said.

Mr. BROWN. He said it; he would come to you and you were working; you would be going ahead; if you was doing more than the other fellow he would say, "What are you trying to do, kill your job? If you are going to do that, I will have to discharge you."

Mr. McCULLOCH. And more than one man heard that?

Mr. BROWN. Yes, sir.



Mr. McCULLOCH. In the face of the necessity for speed did any man representing the contractor—said that the men who were laboring there, wanting them not to do an honest day's work; is that right?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. And you say that by reason of that attitude—

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. That the work was delayed?

Mr. BROWN. Yes, sir; it was.

Mr. McCULLOCH. Could you give us some idea—just your own opinion—as to the number of men that were on the job or these various jobs that were too many, the number that there were that were more than should have been there; give us some idea.

Mr. BROWN. I think the foremen were burdened with too many men; they couldn't look after them. They could not take care of them, a half too many.

Mr. McCULLOCH. A half too many?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. I have an instance here where 58 men on one building where 15 or 20 would have been all that could work to an advantage, and then they would want you to take on additional men?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Can you give us instances of that kind?

Mr. BROWN. I was foreman on the construction of the hay shed myself at that time.

Mr. McCULLOCH. Now, tell us about that circumstance.

Mr. BROWN. We had 58 men working on that; of course we had to take what men was sent to us; you understand the foremen had nothing to do with hiring men, and we worked those men to the best advantage that we knew to work them and did the best that we could with them, and too many men for the foremen to look after to get the work out, for a man having 58. If they had probably 20 he could have done better.

Mr. McCULLOCH. Did you ever have any complaint about it?

Mr. BROWN. No, sir.

Mr. McCULLOCH. Say anything about it?

Mr. BROWN. I did not.

Mr. McCULLOCH. You did what they told you to do, is that right?

Mr. BROWN. Yes, sir; I tried to do what they told me to do.

Mr. McCULLOCH. Do you know of cases where men checked in in the morning and left the job and remained away for the day, and then came back and checked out at night and received pay for their day's work?

Mr. BROWN. I heard of several of those cases, but I didn't have any men under McGrath. Under the McGrath I will have to say I never heard of them, but under the Bentley I heard of them quite frequently.

Mr. McCULLOCH. And that was done frequently?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. State whether or not while you were working under McGraths there was work sent out, orders sent out to slow down?

Mr. BROWN. We would never get those orders unless it would be at a time of short material. They may tell you material was going

to run short or something that way, or times that the work was running short.

Mr. McCULLOCH. Well, did they tell you at the same time not to discharge anybody?

Mr. BROWN. We got that order several times.

Mr. McCULLOCH. Not to discharge anybody?

Mr. BROWN. Yes; they needed the men to get their work done.

Mr. McCULLOCH. What do you say in addition to what you have already said—which is very comprehensive—what you say as to the evidence of a tendency to delay the work; that is, to delay it and make it last longer and cost more?

Mr. BROWN. Well, I believe under the Bentleys it was more so than it was under the McGraths—I will have to say that under the McGrath people they seemed to be more to get the work done, under the impression to get through with it.

Mr. McCULLOCH. Did you ever have any conversation with Frank McGrath in regard to German prisoners?

Mr. BROWN. Yes, sir. I was ordered from the Salvation hut to work German prisoners at the reclamation garage, to build the reclamation garage with German prisoners. Mr. Frank McGrath came to me and he said, "Brown, what are you doing over here?" I said, "I am working German prisoners; not any civilians." He said, "I think you better get four or five; there is nothing for me for you to work German prisoners."

Mr. McCULLOCH. Did you get them?

Mr. BROWN. Yes, sir; I did.

Mr. McCULLOCH. Give us some idea about the plumbers; we have heard a lot about plumbers, but it is a cumulative proposition; I wish you would tell us something about them.

Mr. BROWN. I don't think there is very much to tell; they were there and that is about all we could say.

Mr. McCULLOCH. You mean they didn't do anything.

Mr. BROWN. I built the nurses' home. When I built the nurses' home and got those little rooms in there, they would get in and shoot craps in there, and when I would want to send carpenters in there to finish with that, you couldn't get them out of there; you couldn't get them out of there at all.

Mr. McCULLOCH. They were in there gambling?

Mr. BROWN. They were in there gambling; be in there maybe some days—

Mr. McCULLOCH. What do you say as to whether the contractors knew this was going on?

Mr. BROWN. They certainly did; anybody could have found them or seen it who went through the camp.

Mr. McCULLOCH. Did you see any efforts made on the part of the contractor to remedy this?

Mr. BROWN. I did not.

Mr. McCULLOCH. And yet they were being paid full wages?

Mr. BROWN. Certainly were.

Mr. McCULLOCH. Full time; were loafing on the job and shooting craps and gambling, etc.

Mr. BROWN. They loafed on the job at the nurses' home, at the hospital where I built, I can testify for that, because I saw them.

Mr. McCULLOCH. Do you know of any buildings being torn down which had been improperly constructed?

Mr. BROWN. Well, that is the first barracks I think in the new addition. I started to build that myself, and there was some misunderstanding; every time that we would get it started, we would have to change it, four different times, and when we finished it it was still setting where we started with it at the first time. We had made four changes on it.

Mr. McCULLOCH. What were the changes that were made?

Mr. BROWN. Well, they claimed the street was a different place, and the back part where the latrine would be—to turn it around, and then turn it around again, and they finally completed, I think by turning the blue print upside down.

Mr. McCULLOCH. Ever see anything like that before in your life?

Mr. BROWN. I did not; no, sir.

Mr. McCULLOCH. What effect did it have upon you, that kind of a procedure?

Mr. BROWN. Well it got me worried so that another witness will tell you the rest of that building—it was left on him, and I went back to the German stockade to work German prisoners.

Mr. McCULLOCH. Could not stand it?

Mr. BROWN. No, sir.

Mr. McCULLOCH. Were you ever called upon to receipt for lumber?

Mr. BROWN. Well, we always said they would come around after they had furnished the lumber at the building and they would want you to sign a receipt. The driver would sign it, sometimes would sign it, and sometimes he would not.

Mr. McCULLOCH. Can you give us any information about the receipts calling for more lumber than was delivered?

Mr. BROWN. I think we would order and always get more than we ordered; that would be left for the clean-up men.

Mr. McCULLOCH. That is, you would always get more lumber than you sent for?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. And the clean-up men would take it and throw it away?

Mr. BROWN. They took that away.

Mr. McCULLOCH. You don't know of any instances where the receipts, while you may have got more than you ordered, yet where the receipt called for more lumber than was actually delivered?

Mr. BROWN. Well, I won't say about it, because I didn't pay enough attention to those receipts to know what they called for.

Mr. McCULLOCH. You do not want to testify about that?

Mr. BROWN. No, sir; I do not.

Mr. McCULLOCH. What percentage of the men who were drawing the pay of the carpenters on that job, and were carried on the pay roll as carpenters, were qualified carpenters?

Mr. BROWN. Not half of them.

Mr. McCULLOCH. The rest of them were—

Mr. BROWN. Farmers, plasterers, and butchers—most anybody that come along with a hatchet and saw.

Mr. McCULLOCH. Do you think that the effect of having such men on the job was, in your judgment, to delay it?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. Now, finally, I would like to ask you, Mr. Brown, whether or not you have observed recently destruction of food?

Mr. BROWN. Well, yes; at the—well, I will say two weeks ago in the warehouse, they had them full of flour and beans and stuff like that, and the roofs leaked, and you know what the consequences would be of that effect with the roofs; they started to roof it, and they got the blisters on the roof, and instead of finishing the job they stopped at night, you know, and the rain came down off of the side of the roof and went in and spoiled this stuff, and reported to me something like \$5,000 loss, the men at the warehouse.

Mr. McCULLOCH. What was it?

Mr. BROWN. Flour and beans and stuff like that in one warehouse, and the other side was blankets and socks and stuff like that; had to go back to the laundry to be cleaned up and then come in as seconds.

Mr. McCULLOCH. What did they do with the flour and beans?

Mr. BROWN. The last we saw of it, it was on the platform at the warehouse.

Mr. McCULLOCH. You do not know whether it was destroyed or not?

Mr. BROWN. I do not.

Mr. McCULLOCH. Did you hear anything about what was done with it?

Mr. BROWN. Well, we heard at one time it went up to George Knight, the garbage man, but I do not know; that is only hearsay; I can't say.

Mr. McCULLOCH. I think that is all.

Mr. MCKENZIE. Go ahead, Mr. Doremus, with anything you have.

Mr. DOREMUS. When did you become a foreman at Camp Sherman?

Mr. BROWN. I think it was in March.

Mr. DOREMUS. March, 1918?

Mr. BROWN. Yes, sir; something like that.

Mr. DOREMUS. And as foreman, how many men would you have under your control?

Mr. BROWN. Well, I had any place from 15 to 58.

Mr. DOREMUS. Did you have any difficulty in getting a fair day's work out of those men?

Mr. BROWN. Well, we could not get a fair day's work out of those fellows that were not carpenters; they would do what they could and that was all.

Mr. DOREMUS. Do you think that these men that were under you did the best they could within their limitations?

Mr. BROWN. Well, I will say that part of them did.

Mr. DOREMUS. But you don't think that all of them did?

Mr. BROWN. Not all of them; no.

Mr. DOREMUS. Did you ever tell the men who were under you that they would have to slow up?

Mr. BROWN. No, sir; I did not; I don't think it was—

Mr. DOREMUS. Did you ever have instructions from anyone in authority to tell the men to slow up?

Mr. BROWN. I had instructions at one time that we would have to be careful; that material was short.

Mr. DOREMUS. This was after you became foreman?

Mr. BROWN. Yes, sir.

Mr. DOREMUS. Did you ever have any other instructions to slow up?

Mr. BROWN. No, sir; I did not.

Mr. DOREMUS. Do you know what became of the surplus material when the clean-up—anybody came along to clean up the job?

Mr. BROWN. I do not; it was taken away; it was up to them; they took it away and of course I didn't see it; I saw the piles of scrap lumber in the distance, I could not say what was in them; I saw them burned and I know of quantities of material.

Mr. DOREMUS. Do you know whether any effort was made to separate that lumber after it was hauled away from the new job?

Mr. BROWN. I do not.

Mr. DOREMUS. I think that is all.

Mr. McKENZIE. The committee will stand recessed until 1.30.

(And thereupon a recess was taken until 1.30 p. m. of same date.)

#### AFTER RECESS.

The committee resumed its session pursuant to recess, at 1.30 o'clock p. m.

#### TESTIMONY OF MR. H. E. FOSNAUGH, CIRCLEVILLE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Mr. Fosnaugh, you have been under subpoena here how long; when were you subpoenaed?

Mr. FOSNAUGH. The 29th; to report for the 29th.

Mr. McCULLOCH. What day was that?

Mr. FOSNAUGH. Wednesday, sir.

Mr. DOREMUS. How do you spell your name?

Mr. FOSNAUGH. F-o-s-n-a-u-g-h; H. E., sir.

Mr. McCULLOCH. Where do you live?

Mr. FOSNAUGH. Circleville, Ohio.

Mr. McCULLOCH. You were subpoenaed there by the Sergeant-at-Arms?

Mr. FOSNAUGH. Yes, sir.

Mr. McCULLOCH. You have been here—you were here Wednesday?

Mr. FOSNAUGH. Here Wednesday; yes, sir.

Mr. McCULLOCH. And Thursday?

Mr. FOSNAUGH. Yes, sir.

Mr. McCULLOCH. And Friday?

Mr. FOSNAUGH. Yes, sir.

Mr. McCULLOCH. And to-day?

Mr. FOSNAUGH. And to-day.

Mr. McCULLOCH. And you were here in response to the subpoena that was served on you?

Mr. FOSNAUGH. Yes, sir.

Mr. McCULLOCH. Have you had any talk with Frank McGrath since you were under subpoena here?

Mr. FOSNAUGH. I haven't had a talk with Frank McGrath since Mr. McGrath left the job, or a few weeks previous to his leaving.

C.

Mr. McCULLOCH. You say to the committee that you have not talked to Frank McGrath since you left the job?

Mr. FOSNAUGH. No, sir; and neither have I seen him.

Mr. McCULLOCH. Didn't you talk to him over the telephone?

Mr. FOSNAUGH. No, sir.

Mr. McCULLOCH. And you haven't seen him?

Mr. FOSNAUGH. No, sir.

Mr. McCULLOCH. That is all.

Mr. FOSNAUGH. Exactly.

Mr. McCULLOCH. That is all.

Mr. FOSNAUGH. Yes, sir.

Mr. McCULLOCH. That is all I care to ask you.

Mr. FOSNAUGH. That is all. Thank you.

**TESTIMONY OF MR. JOHN A. COLES, JR., 238 SOUTH GRANT  
AVENUE, COLUMBUS, OHIO.**

(The witness was sworn by Mr. McKenzie.)

Mr. MCKENZIE. Give your name to the stenographer.

Mr. COLES. John A. Coles, jr.

Mr. MCKENZIE. Where do you live, Mr. Coles?

Mr. COLES. At present I am making my home with my mother at 238 South Grant Avenue, this city.

Mr. MCKENZIE. How long have you lived in the city?

Mr. COLES. I was born in this city; but after some trouble at Camp Johnson I spent 18 months about at Camp Joseph E. Johnston, Jacksonville, Fla. I have been back here about five months.

Mr. MCKENZIE. What did you have to do, if anything, in connection with the letting of the contract for the taking of pictures at Camp Sherman?

Mr. COLES. I submitted a bid and attempted to get in the camp myself, and later, failing to hear anything from my bid, and understanding that Fuller & Wagner had it, I sought them and went to work for them at Camp Sherman.

Mr. MCKENZIE. You are in the photographic business, are you?

Mr. COLES. Yes, sir.

Mr. MCKENZIE. Tell us about your bid.

Mr. COLES. I first went down to Camp Sherman with my father early in the fall, when we first heard they were going to let out bids, and we called on Mr. Myers, or Lieut. Col. Myers, I believe, but we were unable to see him, but talked with Capt. Abele, A-b-e-l-e, I believe, and he laid out the terms, saying that one would have to submit a bid, giving the per cent that you were willing to give the Government, and you had to get bank references and other references. I returned to Columbus and got them, bidding about 25, or not over 30, per cent net.

Mr. MCKENZIE. That is, you offered to give the Government 30 per cent?

Mr. COLES. Yes, sir.

Mr. MCKENZIE. Is that the idea?

Mr. COLES. If not 25. I am not absolutely certain as to which figure it was. It was not what we considered a real high figure.

Mr. MCKENZIE. I see. but you never heard anything from your bid?

Mr. COLES. No, sir.

Mr. MCKENZIE. Did you file references?

Mr. COLES. Yes, sir.

Mr. MCKENZIE. Do you know anything about what transpired in the letting of that contract?

Mr. COLES. Why, bids were submitted by numerous photographers, and I don't think that the bids ever received any consideration.

Mr. MCKENZIE. Why do you think that?

Mr. COLES. Just after that Mr. J. P. Fuller announced that he had landed the contract; and as far as I know none of the references were ever looked into; and Mr. Fuller was not a photographer, and wouldn't have received any great commendation had they investigated him in any way.

Mr. MCKENZIE. But he got the contract?

Mr. COLES. Yes, sir.

Mr. MCKENZIE. Do you know whether or not there were higher bids submitted than yours?

Mr. COLES. Yes, sir; I believe that there were. I understand that Mr. George C. Lohr, who lives at Buckeye Lake, bid as high as 40 per cent or more.

Mr. MCKENZIE. Do you know what the amount of the bid was, made by the contractor who received the contract?

Mr. COLES. No; I don't. But in later explaining as to why the bid was let to J. P. Fuller, Lieut. Col. Myers explained to Mr. Fuller that there was some slight mix-up, and that the contract was awarded to J. P. Fuller on a bid submitted by F. E. Fuller; and Mr. Fred E. Fuller could probably supply you with the details as to the per cent of his bid.

Mr. MCKENZIE. What do you know, if anything, about whether or not there was a consideration paid on the side to any individual for the procuring of that contract?

Mr. ALEXANDER. There was a politician named Alexander there who took an unusual interest in the Wagner-Fuller affairs at that time. He didn't seem to own any particular part of it, but was interested in seeing that they got in and started and under way, and that sort of thing; and I don't think that he would be interested unless there had been some consideration of some sort. And he was supposed to be a sort of a—he seemed to wield great power in Chilli-cothe. He was spoken of sort of as the invisible government.

Mr. MCKENZIE. Well, what did they mean by that; he controlled things?

Mr. COLES. Well, they meant that he came out and told people at camp what to do—yes, sir; that he controlled things.

Mr. MCKENZIE. Did you ever have any conversation with Wagner and Fuller in relation to this matter?

Mr. COLES. Yes, sir; after the contract was let and Mr. Fuller—that is, Pete Fuller—came to Columbus, I asked him regarding it, and he cynically smiled and said "The trouble with you fellows was that you didn't realize that every man had his price."

Mr. MCKENZIE. Did he say anything further?

Mr. COLES. No; I don't remember anything further along that line. \*

Mr. MCKENZIE. That is all, Mr. Coles.

**TESTIMONY OF MR. GEORGE E. COOPER, CHILLICOTHE, OHIO.**

(The witness was sworn by Mr. McKenzie.)

Mr. McKENZIE. You may state your name.

Mr. COOPER. George E. Cooper.

Mr. McKENZIE. Where is your home?

Mr. COOPER. Chillicothe.

Mr. McKENZIE. What is your business?

Mr. COOPER. Roofing and furnace contractor.

Mr. McKENZIE. Did you have anything to do with the construction of Camp Sherman?

Mr. COOPER. Yes, sir.

Mr. McKENZIE. Just tell us what you had to do down there.

Mr. COOPER. Well, I first went down there, I was setting furnaces; and at the last part, last few weeks, I had charge of the whole setting of furnaces there.

Mr. McKENZIE. Well, now, what character of furnaces; where were they placed?

Mr. COOPER. Why, they were room heaters set in the barracks, and then little stoves set in the orderly room and in the hall of the barracks; small stoves.

Mr. McKENZIE. For whom were you working at that time?

Mr. COOPER. Why, for the Bentley Co.

Mr. McKENZIE. Well, now, if there was anything special in connection with your work there that you think the committee ought to know, we would be glad to have you state it in your own way.

Mr. COOPER. Well, it was a waste and breakage of the furnaces, and the lost time in erecting them, and the idleness of the men. And it could have been done under a more systematic way, you know.

Mr. McKENZIE. Well, what do you mean by breakage of furnaces; were they thrown about?

Mr. COOPER. Yes; thrown about, and breakage of them.

Mr. McKENZIE. Well, to what extent would that go?

Mr. COOPER. Why, that went to great extent in those furnaces and stoves.

Mr. McKENZIE. Will you explain what you mean by a great extent?

Mr. COOPER. Why, they would be thrown around there, and they would be broken; and the fellows go out to erect them, and they didn't understand anything about them, and they would break them; break parts of it, you know; and then they would take that furnace out of there and put in a new one, and that other, I suppose, went to junk, or something like that, just by one part or something being broken of the furnace. And the men working around there didn't understand anything about it. In some of the gangs would be as high as 10 men where only probably two men could work at a furnace at a time setting them up. That was all lost time. And then idleness—nothing to do.

Mr. McKENZIE. You think there was about five times as many men working on these furnaces as necessary?

Mr. COOPER. Yes, sir; and there wasn't—well, there was four of us all that was practical men that knowed anything about that work. and the others didn't know anything about it at all



Mr. McKENZIE. Were you a foreman, or were you just a——

Mr. COOPER. When I first went there I had a foreman; I had three men and myself in a gang when I first went there; and afterwards I was put in charge of it.

Mr. McKENZIE. How long were you foreman?

Mr. COOPER. Of the whole department, you mean?

Mr. McKENZIE. Yes.

Mr. COOPER. Why, I think it was two weeks; the last two weeks that I was there; and then I quit. I had charge of the whole thing.

Mr. McCULLOCH. I didn't hear the first part of your testimony, but I understand you were a foreman engaged in work at Camp Sherman putting in furnaces?

Mr. COOPER. Yes, sir; yes, sir.

Mr. McCULLOCH. How many men did you have under you?

Mr. COOPER. When I had full charge of it there were 63; 63 men when I had full charge of it. But when I first went there there must have been a couple of hundred men erecting those furnaces.

Mr. McCULLOCH. Well, have you told the committee, in answer to Mr. McKenzie's questions, how they worked? Were they engaged all the time?

Mr. COOPER. Well, yes; part of it; yes.

Mr. McCULLOCH. Well, tell us in detail about that.

Mr. COOPER. Well, the fact of the matter is we didn't work; that was the fact of the matter. When we first went there, the first day that I went there, my men and I, we set up nine furnaces that first day, and come in that night, and the foreman wanted to know what we was going to do; was I trying to put them all up in one day; so after that we didn't work that way.

Mr. McCULLOCH. You took the hint?

Mr. COOPER. I took the hint; yes.

Mr. McCULLOCH. Was that all he said to you?

Mr. COOPER. That was all he said to us that night, yes. And then other times we would go in in a little shanty there in section Q, along Columbus Pike, and he would say "What are you doing over here?" He said "Get over there in the bushes some place." So we went over to the barracks some place to get out of sight of the main pike.

Mr. McCULLOCH. What time in the year was this?

Mr. COOPER. I went there, it was along in the latter part of October.

Mr. McCULLOCH. Had there been many furnaces put up?

Mr. COOPER. Yes, sir; quite a few of them. That is, tried to put up. They wasn't put up.

Mr. McCULLOCH. Were there many furnaces yet to be put up?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. About how many were there yet to be put up?

Mr. COOPER. Well, I can't give you an idea how many it was.

Mr. McCULLOCH. Were the boys coming into the camp at that time?

Mr. COOPER. Why, yes.

Mr. McCULLOCH. In great numbers?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And it was getting toward winter?

Mr. COOPER. Yes, it was.

Mr. McCULLOCH. Was winter?

Mr. COOPER. Yes.

Mr. McCULLOCH. The latter part of October?

Mr. COOPER. Well, I was there till along after Thanksgiving Day.

Mr. McCULLOCH. And there were many of these furnaces yet to be put up?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Were there buildings being occupied by men where there were no furnaces in?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And in the face of that situation you say that you were practically told to let up on the work?

Mr. COOPER. Yes, sir; by the foreman over me.

Mr. McCULLOCH. How many men were there there?

Mr. COOPER. Well, when I first went there there must have been 200; but when they give me full charge I had 68 under me.

Mr. McCULLOCH. When did you get full charge?

Mr. COOPER. The last two weeks I was there.

Mr. McCULLOCH. When was that?

Mr. COOPER. The last two weeks in November.

Mr. McCULLOCH. So that from the latter part of October until probably the 15th of November they had about how many men during that time, before you took charge?

Mr. COOPER. Before I took full charge?

Mr. McCULLOCH. Yes.

Mr. COOPER. Just as I say, when I first went there they had in the neighborhood of 200 men.

Mr. McCULLOCH. And that ran along until about the 15th of November, and then you had how many?

Mr. COOPER. Sixty-three.

Mr. McCULLOCH. What became of the others in the meantime?

Mr. COOPER. Indeed I don't know. Some of them quit, I guess, and—I don't know. They wouldn't let me discharge them, anyway.

Mr. McCULLOCH. They wouldn't let you discharge anybody?

Mr. COOPER. No. I remember I discharged one man one day there when I had charge, and the next day I seen him out in another gang working.

Mr. McCULLOCH. We are only seeking to get the God's truth about it, is all.

Mr. COOPER. Yes.

Mr. McCULLOCH. We don't want anything else. But we want you to clear up, if you will, the situation there; first, as to the number of furnaces yet to be put in, so we can get some idea of it, and then how you men worked under the orders of your superiors in getting the work out.

Mr. COOPER. Well, now, that is a pretty hard matter, of how many to put in, because they didn't have any system at all in setting these furnaces. When I first went there I says to the foreman, I says, "Why don't you let each gang have a section, and clean up that section and report when he is through with that section, all the stoves and furnaces installed?" Why, they would be away up in the upper end of camp, and maybe the next hour in the lower end, putting in the time doing nothing; and he wouldn't stand for that at all.

Mr. McCULLOCH. He wanted you to continue running around putting the time in?

Mr. COOPER. Yes. And I went with my gang over that camp four or five time showing the shortage of stoves; the number of barracks, and the shortage of what furnaces or stoves we were short in those barracks, and report it in. We never heard anything more about it. Just kept running back and forth.

Mr. McCULLOCH. Now, then, what do you say as to the delay in installing these furnaces that resulted from this inefficiency, and from the order that was given to you?

Mr. COOPER. Well, the delay was on account of inefficient regulations, you know; management, you know.

Mr. McCULLOCH. But at the same time they did in effect tell you not to speed up?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. You did the first day do a real day's work?

Mr. COOPER. Yes; the first day we did.

Mr. McCULLOCH. And then you were practically told not to continue to work at that speed?

Mr. COOPER. Practically—we were not told practically in those words—but practically just the same as told not to.

Mr. McCULLOCH. Well, when you didn't continue to speed up, were you criticized for it?

Mr. COOPER. No, sir.

Mr. McCULLOCH. Were you pressed to hurry it along?

Mr. COOPER. No, sir.

Mr. McCULLOCH. To get the furnaces in?

Mr. COOPER. No, sir.

Mr. McCULLOCH. So as to keep these boys warm?

Mr. COOPER. No, sir; we wasn't.

Mr. McCULLOCH. On the contrary, when you slowed up that met the approval of your superiors?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. State to the committee whether or not it is your opinion the foreman who asked you "Are you going to put these furnaces all in in one day?" intended for you to slow up on the work.

Mr. COOPER. He did; yes.

Mr. McCULLOCH. And you did slow up on the work?

Mr. COOPER. Yes, sir; we did.

Mr. McCULLOCH. And you felt you were doing it as a result of his direct order?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Now, as a result of the slowing up of the work under the direct order and as result of this lack of system in the putting in of those furnaces, how much longer will you say did it take to complete the work than it would have taken if they had had a system and if the men had worked on the same basis that you worked the first day?

Mr. COOPER. Well, I believe that they could have started with those furnaces from the first start and had a system and had some men that understood erecting those furnaces and give each gang a section, and I will venture to say they could install those furnaces in half the time it took.

Mr. McCULLOCH. How long did it take them to do it?

Mr. COOPER. I don't know how long they were there before I went there.

Mr. McCULLOCH. Have you any idea about that?

Mr. COOPER. No; I haven't.

Mr. McCULLOCH. Did you finish the work of erecting the furnaces?

Mr. COOPER. Well, not altogether; no. No; I got away from there. My business called me away from there, and I tried two or three times to get away before I finally did get away.

Mr. McCULLOCH. Of course, this ran into the latter part of November, before you left?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. It was very cold weather?

Mr. COOPER. It was after Thanksgiving Day.

Mr. McCULLOCH. It was very cold weather?

Mr. COOPER. Yes, sir; it was.

Mr. McCULLOCH. What do you say as to whether or not there was suffering at that camp among the boys——

Mr. COOPER. There was.

Mr. McCULLOCH. As a result of the furnaces not being in?

Mr. COOPER. There was.

Mr. McCULLOCH. And coupling that with your statement as an expert here, and I understand you have qualified, that the work could have been done in half the time if it hadn't been for this order to slow up, and if it had been done systematically, that suffering then was directly due, was it not——

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. To the fact there was no system and to this order to slow up?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. How many men do you suppose died as a result of that?

Mr. COOPER. I don't know. I don't know whether there was any died or not.

Mr. McCULLOCH. I think if I could go to my files I could find some complaints about boys——

Mr. COOPER. We used to go in those barracks and these officers would say, "What the devil are you doing here again? This is the poorest arranged system of putting up ever I saw." Some of them wouldn't allow us in the barracks; they got disgusted with the way it was going on.

Mr. McCULLOCH. And the boys were shivering around there?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Waiting for you to get the stoves in?

Mr. COOPER. Waiting for us to get the stoves in; yes, sir. And then they had a system that we would go around there and set up these stoves and maybe, after the stoves was set up, wait two or three days before the tinnerns come and put the pipes on. That was a delay, too.

Mr. McCULLOCH. Why didn't you fellows set the full stove up?

Mr. COOPER. They wouldn't let us; wouldn't allow us to.

Mr. McCULLOCH. Were there any orders to that effect?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. You were qualified to do it?

Mr. COOPER. Yes, sir; we were qualified to do it.

Mr. McCULLOCH. Had the tools?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And the material?

Mr. COOPER. Yes, sir; the materials were right on the ground.

Mr. McCULLOCH. And you could have completed it?

Mr. COOPER. We could have completed it; yes.

Mr. McCULLOCH. And yet you were ordered not to do it?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And it would take how long—

Mr. COOPER. Well, probably after we set the furnace up, to put the pipe in it took not less than an hour to put the pipe in the furnace.

Mr. McCULLOCH. How long would they be delayed?

Mr. COOPER. Some of them laid two or three days before they would get the pipe on.

Mr. McCULLOCH. And the boys were still shivering around?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. What about your leaving the camp and driving out and about? Tell us about that.

Mr. COOPER. When I had charge of the furnaces, I would go down to the office, and they would have little tickets on a file there in the office for work for me to do. Well, a lot of times I would go in and there wouldn't be any tickets, and I would say to the clerk in the office, I would ask him what I would do with all those men up there. He would say, "I don't know. Just hang around with them." I would say, "I don't want that many men hanging around doing nothing." "Oh," he would say, "load a furnace and let them take a chase around the camp." They would have three or four trucks doing nothing. They would load a furnace on one of those big trucks. They would send them big trucks up there and I would send them back, and then they would come back again. I didn't have anything for them to do. They would load a stove and ride around camp, and maybe get out and ride around the country with a truck.

Mr. McCULLOCH. Did you ever know them to do that?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And during all this time these barracks were not being heated; is that right?

Mr. COOPER. Yes, sir. That was just before I quit, you know.

Mr. McCULLOCH. Well, there was still work to be done there?

Mr. COOPER. There was still work to be done there.

Mr. McCULLOCH. Still barracks that didn't have the stoves?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And the boys were still shivering around?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. State whether or not this condition of idleness which resulted from the attitude of the representatives of the contractor continued during all the time you worked there on that job.

Mr. COOPER. It did all the time I worked there; yes, sir.

Mr. McCULLOCH. Regardless of the necessities of the situation—

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. You still loafed around?

Mr. COOPER. Yes, sir; we loafed around.

Mr. McCULLOCH. I can't think of any part of that camp that would be more important in the wintertime than getting the stoves in.

Mr. COOPER. Why, at that time of year they needed the stoves.

Mr. McCULLOCH. Did you go to your superiors in the office and—

Mr. COOPER. Yes, sir.

Mr. McCULLOCH (continuing). Ask for work?

Mr. COOPER. I used to go down there; the first thing in the morning I would go down to the office, and if there would be any tickets there for me to have the boys do any work I would go up and start them out to work. Then I would go back down there again, till I got to going so often this clerk says "What in the hell are you doing here again?" like that. He wanted to know what I was doing in there.

Mr. McCULLOCH. Did you try to leave the camp and get away from the job?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Tell him there was nothing to do?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And who did you talk to about that?

Mr. COOPER. Mr. Carr.

Mr. McCULLOCH. Who was Mr. Carr?

Mr. COOPER. He was one of the bosses there.

Mr. McCULLOCH. Now, I want to fix the direct responsibility in this if it is possible to do it, and you state you are—your testimony is very clear, your statements are clear, and I want you to help us if you can to fix this responsibility. Now, who was the contractor under whom you were working?

Mr. COOPER. Bentley & Sons.

Mr. McCULLOCH. And who was your immediate boss before you became a foreman?

Mr. COOPER. Well, now, I can't think of the fellow's name when I first went there, and then he left and went to Florida and a fellow by the name of Connors took charge of it.

Mr. McCULLOCH. Were the same orders prevailing?

Mr. COOPER. The same way right straight through, and then they turned it over to me.

Mr. McCULLOCH. Now, Connors, who would he report to? Get up to Connors now? Who does he report to?

Mr. COOPER. He would go in the office down there: I don't know who was under Carr.

Mr. McCULLOCH. Carr was what?

Mr. COOPER. Why, he was one of the bosses there, in the main office there.

Mr. McCULLOCH. Of Bentley & Co.?

Mr. COOPER. Yes; of Bentley & Co. A fellow by the name of Strong was a clerk in the office.

Mr. McCULLOCH. And you went to that office frequently?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Told them of the conditions?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And tried to get work—

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. To keep your men busy; is that right?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. And you couldn't get any satisfaction?

Mr. COOPER. I couldn't get any satisfaction; no, sir.

Mr. McCULLOCH. And all of this time these barracks were needing stoves and the boys were cold?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. I have got a statement here that my attention has been called to. I am going to read to you and have you comment on it, if you will. You are reported to have made this statement:

I was always used to doing something for my money, and I tried to get away from there several times before I succeeded, simply because it occurred to me it was nothing else than robbery to continue in such a way and under such circumstances, and as I now see it we were simply used in furtherance of a nefarious system.

Mr. COOPER. Yes, sir; that is right—correct.

Mr. McCULLOCH. You think that states it?

Mr. COOPER. That is correct; yes, sir.

Mr. McCULLOCH. And when you say a "nefarious system" what do you mean—a system that resulted in probable——

Mr. COOPER. In delay to that work.

Mr. McCULLOCH. And not only that; of course, from the delay would result more serious consequences in connection with your work than any other.

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Because it went directly to the comfort and health of the American soldiers——

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Who were being drafted into the service to protect this country; is that right?

Mr. COOPER. Yes, sir; and those soldiers around there you would see take on a cold rainy day; you would see those soldiers go down to the stock pile and carry the pipe up and put it up to get a little heat in the barracks.

Mr. McCULLOCH. When all the time you had men qualified to do that work?

Mr. COOPER. We had men qualified to do that work.

Mr. McCULLOCH. And because of the system and orders you have talked about, they didn't do it?

Mr. COOPER. They didn't do it.

Mr. McCULLOCH. And they were not permitted to do it?

Mr. COOPER. They were not permitted to do it. Our gang were not permitted to put a pipe on.

Mr. McCULLOCH. And in your judgment, as I understand your testimony, the contractor and his agents were directly responsible for that condition?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. You finally did leave, did you?

Mr. COOPER. Yes, sir; I finally left.

Mr. McCULLOCH. And when you left that was the latter part of November?

Mr. COOPER. When I left they wanted to consolidate the tinshop and the furnace erecting in one, and wanted me to take charge of it, and I told Mr. Carr I couldn't stay here any longer; I have been trying to get away from here two or three times. "Well," he says, "we can't let you go." And we was talking there in the office and a fellow

by the name of—a trouble shooter, I forget his name—came in and says, “I will take charge of that.” I says, “You go to it,” and Mr. Carr asked him, “Can you take charge of this?” And he says, “Yes.” And he says, “Where are you going to get your tinnars and your men?” He says, “I can get them back home where I come from.” Mr. Carr says, “Now, you are sure you can take care of that?” And he says, “Yes,” and he told Mr. Strong to write Mr. Cooper out an order for his money, and I got away from there then.

Mr. McCULLOCH. We have had a great deal of testimony before this committee in regard to waste and destruction of property, but it went mostly to lumber and various kinds of building materials in the construction of the main edifice. I wish you would tell the committee of any waste or destruction of property there was in connection with the furnaces.

Mr. COOPER. Yes, sir; there was.

Mr. McCULLOCH. Will you tell us about that?

Mr. COOPER. Those furnaces were throwed out on the ground and they would get broken, and there wasn't any care taken in the handling of those furnaces, and by just one piece or something getting broken off that furnace it would be throwed away and another new one put in its place; and in handling them and hauling them around in them trucks, you couldn't say anything to the men; they would break them and they would be hauled back to the pile and a new one taken in its place that way. And then when I first went there, I had been used to putting in furnaces in school buildings and such like and we always had to put asbestos paper under the galvanized iron under the furnace, and I made a remark they ought to do that, and they wouldn't allow us to do it.

Mr. McCULLOCH. You told them it was dangerous?

Mr. COOPER. Yes, sir. Danger of fire, as I stated.

Mr. McCULLOCH. That is right, too.

Mr. COOPER. And they wouldn't allow us to do that. Well, they put the furnaces up and they started to scorching the floor, and somebody would catch hold of that furnace and try to slip asbestos paper under that sheet iron and they would break the furnaces and they would be hauled out and another new one put in.

Mr. McCULLOCH. Thrown on the dump?

Mr. COOPER. I suppose. I remember I was three days with my gang out there replacing new furnaces and getting different parts of the furnace together to see the shortage, and I reported that in the office. And finally they hauled those furnaces—I guess they went to the junk, finally they went in the junk.

Mr. McCULLOCH. So there was great waste in the way it was handled?

Mr. COOPER. Yes, sir; there was.

Mr. McCULLOCH. A total disregard for all elements of economy?

Mr. COOPER. Yes, sir. And you take these furnaces, there would be asbestos cement come with every furnace, you know, to be put in the points. Well, they wouldn't allow you to put that in the joints at all. That was throwed away, and chains would come to put in to regulate the damper. They wouldn't let you put those in at first, and toward the last they wanted those chains on to regulate the draft. Well, they didn't have any chains. Well, they wanted to know about how much chain it would take to put on those furnaces. Well, I give



an order; I don't know whether they ever got it to put on or not. I don't know.

Mr. McCULLOCH. In all your experience in connection with that kind of work, did you ever see anything like this?

Mr. COOPER. No, sir; I never did; never seen anything to equal it.

Mr. McCULLOCH. And it was material waste and destruction—

Mr. COOPER. It was waste and destruction from the first day I was there until I left.

Mr. McCULLOCH. And all of it done under the supervision, at least, and some of it under the orders at least as to slowing up, of the contractor and his representatives?

Mr. COOPER. Yes, sir; yes, sir.

Mr. McCULLOCH. If half you say is true about delaying this work, and I have reason to believe from looking you over that all of it is true—

Mr. COOPER. Well, I have had experience in that for 26 years.

Mr. McCULLOCH. You look like a truthful man. If half is true, what occurred in connection with your department alone is akin to treason.

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. That is all there is to that. That is all I care to ask.

Mr. DOREMUS. When did you go on the job at Camp Sherman?

Mr. COOPER. Why, it was along in October.

Mr. DOREMUS. Had any furnaces been put up when you got there?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. Do you know anything about the number?

Mr. COOPER. No, sir; I do not.

Mr. DOREMUS. As I understand it, you went there first as an ordinary employee?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. And then subsequently became a foreman?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. And when did you become a foreman?

Mr. COOPER. The last two weeks that I was there. That was the latter part of November.

Mr. DOREMUS. The last two weeks of November you were a foreman?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. Did you have more than the one kind of furnace?

Mr. COOPER. Yes, sir; had all makes of furnaces.

Mr. DOREMUS. Tell us something about the different kinds of furnaces that you had on the job.

Mr. COOPER. Well, the furnaces was all the same principle, but different makes. They was all these room heaters. The principle was all the same, but different makes of furnaces, you know; different manufacturers' makes.

Mr. DOREMUS. Well, did they have different kinds of furnaces for different buildings; is that the idea?

Mr. COOPER. Yes, sir. They had a small one—they put the small furnace downstairs and the large heater upstairs. They had what they call a 22-inch fire pot downstairs and a 24-inch upstairs; where it looked to me like they ought to have had that reversed; the 24 downstairs and the 22 up.

Mr. DOREMUS. On the theory that heat goes up, I suppose?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. Now, what kind of buildings were you working in?

Mr. COOPER. The barracks buildings.

Mr. DOREMUS. Was your work confined entirely to the two-story barracks?

Mr. COOPER. No, sir.

Mr. DOREMUS. What other buildings?

Mr. COOPER. Some of the officers' quarters we put some furnaces in; and the closets, toilet rooms, we put stoves in.

Mr. DOREMUS. Was yours the only gang that was engaged in this kind of work?

Mr. COOPER. Yes, sir; that was the only gang that was engaged in it; that department.

Mr. DOREMUS. Do you say that at one time this gang had about 200 men in it?

Mr. COOPER. When I first went there, I judge in the neighborhood of 200 men working there.

Mr. DOREMUS. I assume that that number of men would have been ample to—

Mr. COOPER. If they had been mechanics at the business, and the system of erecting these furnaces had been right.

Mr. DOREMUS. Now, did you tell us when you first went to work there?

Mr. COOPER. Along the latter part of October.

Mr. DOREMUS. Yes. Now, I understand that during the first day you did a pretty good job?

Mr. COOPER. Yes, sir; we did.

Mr. DOREMUS. And that night somebody asked you—

Mr. COOPER. A foreman over in that department wanted to know of me if me and my gang was going to put them all up in one day.

Mr. DOREMUS. Now, can you give us the name of that foreman?

Mr. COOPER. No, sir; I can't think of his name.

Mr. DOREMUS. And that statement, as I understand it, was your tip to slow up?

Mr. COOPER. Yes, sir; and I took the tip and slowed up.

Mr. DOREMUS. Now, you have testified that some one gave you orders not to put up furnaces. Who was that?

Mr. COOPER. Not to do what?

Mr. DOREMUS. Not to put up any more furnaces.

Mr. COOPER. Why, that was in the office. I would go in the office and—they didn't say not to put up; but I would go in for orders and they didn't have any orders there for me to erect these furnaces.

Mr. DOREMUS. You testified in answer to a question by Mr. McCulloch that you had orders not to put up any more furnaces. It is possible you didn't understand his question; but that is my recollection of the answer.

Mr. COOPER. I don't remember any question of that kind.

Mr. DOREMUS. Then are we to understand that you had no orders from anyone not to put up these furnaces?

Mr. COOPER. Never had any orders directly not to put them up.

Mr. DOREMUS. And the only intimation you had to slow up came from this foreman?

Mr. COOPER. This foreman; yes, sir.

Mr. DOREMUS. The night of the first day—

Mr. COOPER. Yes, sir.

Mr. DOREMUS. That you were on the job?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. Had the soldiers begun to arrive when you first went on the job?

Mr. COOPER. Yes, sir; they had.

Mr. DOREMUS. Did you personally see soldiers shivering from the cold because of the lack of heat?

Mr. COOPER. Yes, sir; I have.

Mr. DOREMUS. That came under your personal observation?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. Did you see that to any considerable extent?

Mr. COOPER. Yes, sir; I did.

Mr. DOREMUS. And you severed your connection with the job at what time?

Mr. COOPER. Along in November. As I remember, I was there Thanksgiving Day.

Mr. DOREMUS. Were the furnaces all up then?

Mr. COOPER. Not all of them; no, sir.

Mr. DOREMUS. Were there sufficient furnaces at the time you quit the job to accommodate the soldiers who were there?

Mr. COOPER. Why, yes. But the furnaces that was put in the barracks was scattered around here and there. Some that was broken had to be taken out and new ones put in; and then the theater building had to have furnaces in, and some of those other buildings.

Mr. DOREMUS. You think, so far as the barracks for the soldiers' quarters were concerned, that the furnaces were in by the time you left the job?

Mr. COOPER. Yes, sir; with the exception of some few. With the exception of some few scattered around that had been broken in putting this asbestos paper under the furnaces again.

Mr. DOREMUS. Is there any way that you think you could get for the committee the name of this foreman who asked you if you intended to do the whole job in one day?

Mr. COOPER. I could get it, but not here in the city. I can get it down to Chillicothe, probably.

Mr. DOREMUS. Don't you think it would be a good thing to get that foreman's name if we can?

Mr. McCULLOCH. Yes; we certainly do want it. Yes, indeed.

Mr. McKENZIE. You will try and get his name for us, will you?

Mr. COOPER. Yes, sir.

Mr. DOREMUS. I think that is all.

Mr. McCULLOCH. I understood you to say that you went frequently to the man in that office asking for something to do.

Mr. COOPER. I did, several times a day.

Mr. McCULLOCH. And you knew that there was work to do?

Mr. COOPER. Yes, sir.

Mr. McCULLOCH. Yet you couldn't be assigned to it?

Mr. COOPER. No, sir.

Mr. McCULLOCH. And you continued to loaf around?

Mr. COOPER. Yes, sir.

Mr. McKENZIE. Will you tell us what character or kind of furnaces you worked on?

Mr. COOPER. Well, I worked on these room heaters and stoves; the heating stoves, and these little stoves went in the orderly room and in the hall and in the toilet.

Mr. DOREMUS. Well, then, as I understand it, in the barracks you put these small stoves?

Mr. COOPER. In the barracks building proper we put four furnaces.

Mr. DOREMUS. Four furnaces?

Mr. COOPER. Four furnaces.

Mr. DOREMUS. Well, now, what sort of heating apparatus was that?

Mr. COOPER. Well, it was nothing more or less than a stove with a jacket around it, with the cold air going in the bottom and hot air coming out the top; circulating heat, what they call it.

Mr. DOREMUS. What other kinds of furnaces were there?

Mr. COOPER. That was the only kind of furnace there were, except in some of the offices where they put—in one or two of those old farm residences there they put in a regular house furnace with registers and pipes; but in the barracks and buildings like that they had the room heaters.

Mr. DOREMUS. Well, in the barracks proper; that is, in the buildings for the housing of the soldiers, did you have any other type of furnaces?

Mr. COOPER. Why, we had small cannon stoves, we call them; small heating stoves. One of those went in the orderly room, and one went in the hall, and then there was another one went in the toilet—two went in the toilet.

Mr. DOREMUS. Well, now, did you have more than one kind of furnace or stove in any barracks?

Mr. COOPER. Well, we had all the same principle, but different manufacturers' makes.

Mr. DOREMUS. Well, do you know the different makes?

Mr. COOPER. Well, some was made by the Favorite Stove & Range Co.; some by the Peninsular Stove Co.; and some by the—Oh, there was a lot of different makes, you know. Peck-Williams, of Cincinnati; Fox Stove Co.; and the Estate, made over at Hamilton, Ohio. I can't just call all of them that was there.

Mr. DOREMUS. Now, was there any heating device of any description in these barracks in which you saw personally the men shivering with the cold?

Mr. COOPER. Yes, sir; there was.

Mr. DOREMUS. What was it?

Mr. COOPER. Why, there was a shortage of these furnaces being installed.

Mr. DOREMUS. No; I asked you if at this particular time when you saw the men shivering in the barracks, was there in the barracks any kind of a heating device at all?

Mr. COOPER. No, sir.

Mr. DOREMUS. That is all.

Mr. McKENZIE. That is all.

**TESTIMONY OF MR. GEORGE FULLER, 252 WEST FIRST AVENUE,  
COLUMBUS, OHIO.**

(Witness duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your full name?

Mr. FULLER. George Fuller.

Mr. McCULLOCH. And where do you live, Mr. Fuller?

Mr. FULLER. 252 West First Avenue, Columbus, Ohio.

Mr. McCULLOCH. What business are you engaged in?

Mr. FULLER. Garage and trucking business.

Mr. McCULLOCH. How long have you been engaged in that business?

Mr. FULLER. In the trucking business, about two years.

Mr. McCULLOCH. How long have you been engaged in the garage business?

Mr. FULLER. Well, just since last June—the 9th of June, I believe.

Mr. McCULLOCH. How many trucks do you have; do you have many?

Mr. FULLER. Five, now.

Mr. McCULLOCH. State whether or not you furnished any trucks for work at Camp Sherman?

Mr. FULLER. Yes; I did.

Mr. McCULLOCH. Did you furnish those trucks to the Government direct, or to Bentley, or to McGrath?

Mr. FULLER. Well, neither one. The trucks were furnished to a fellow by the name of Murphy, or rented by a fellow by the name of Murphy.

Mr. McCULLOCH. How many trucks did you rent to Murphy?

Mr. FULLER. Well, there were six altogether.

Mr. McCULLOCH. Were they all your trucks?

Mr. FULLER. They belonged to the company; Mr. Simonton, Mr. Broton, and myself.

Mr. McCULLOCH. That was your company?

Mr. FULLER. Yes.

Mr. McCULLOCH. You had six trucks?

Mr. FULLER. Yes.

Mr. McCULLOCH. And they did work at Camp Sherman?

Mr. FULLER. Yes.

Mr. McCULLOCH. And you rented them to a man by the name of Murphy?

Mr. FULLER. Yes.

Mr. McCULLOCH. When did you rent them to Murphy?

Mr. FULLER. Well, I could not recall the date, but we were there for three weeks before Thanksgiving, or along about that time.

Mr. McCULLOCH. That would be some time about the latter part of October or the first part of November?

Mr. FULLER. Yes.

Mr. McCULLOCH. 1917?

Mr. FULLER. Yes; right along there somewhere.

Mr. McCULLOCH. What arrangement did you make with Murphy for the six trucks?

Mr. FULLER. Well, there was a fellow by the name of Frazer that put on two of them there at first, and he rented the trucks to me at

\$12 or \$12.50 a day; I don't remember which; and I bought those trucks after that and four more from this man Frazer and put them down there under the same circumstances.

Mr. McCULLOCH. You rented them to Murphy?

Mr. FULLER. Yes.

Mr. McCULLOCH. What was Murphy's first name?

Mr. FULLER. I believe E. K. or C. K.; I won't be sure which.

Mr. McCULLOCH. Whom did he represent?

Mr. FULLER. Well, I don't know.

Mr. McCULLOCH. Did you have a contract with him in writing?

Mr. FULLER. No. You see, Mr. Frazer put on those trucks in the first place, and I just took them over and added to them. That was all.

Mr. McCULLOCH. At first you took over two, and then you added four to them?

Mr. FULLER. Yes.

Mr. McCULLOCH. During the time that these trucks were in service at Camp Sherman, did you have occasion to inquire in regard to the amount that was being paid for trucks by the Government or by the Bentley Co.?

Mr. FULLER. No; I did not. I went to Capt. Tragelis after I got the other four and tried to put them on direct, and he said I could not. He said I could not put them on direct at all.

Mr. McCULLOCH. Capt. Tragelis said that?

Mr. FULLER. Yes.

Mr. McCULLOCH. Was he a captain in the Army?

Mr. FULLER. Well, I don't know; he was a transportation man for Bentley.

Mr. McCULLOCH. You went and talked to him?

Mr. FULLER. Yes.

Mr. McCULLOCH. And you asked him about putting the trucks on direct?

Mr. FULLER. Yes.

Mr. McCULLOCH. And not operating them through Murphy?

Mr. FULLER. That is it.

Mr. McCULLOCH. And he told you it could not be done?

Mr. FULLER. Yes.

Mr. McCULLOCH. I wish you would detail to the committee just what that conversation was.

Mr. FULLER. Well, I told him I had these trucks there through Murphy and I was dissatisfied with the arrangement and I would like to put on those two trucks and four more direct, the same as the K. & S. Trucking Co. had them, and he said I could not do it at all; that he did not need them. Then I goes back to Murphy and he puts them on through the K. & S. Trucking Co.

Mr. McCULLOCH. He paid you, then, how much for the six?

Mr. FULLER. Either \$12 or \$12.50, I forget which, but I believe it was \$12.50, although I won't be sure about it.

Mr. McCULLOCH. Do you know how much the K. & S. Truck Co. got for them?

Mr. FULLER. I don't know only what he said. He told me afterwards, after the job was done, and the trucks were away from there, that he got \$15 straight, and they got \$16.50. Now I don't know whether that is true or not. I only know what he said.

Mr. McCULLOCH. But that is what Murphy told you?

Mr. FULLER. Yes; that is what he said.

Mr. McCULLOCH. That the K. & S. Trucking Co. for \$16.50?

Mr. FULLER. Sixteen dollars and fifty cents; and the Government furnished the gas and oil and the driver, or paid the driver, rather.

Mr. McKENZIE. Let us get that straight, now; do you mean \$15 and \$16.50, making \$31.50?

Mr. FULLER. No, it appears as though the Government paid the K. & S. Truck Co. \$16.50, and the K. & S. paid Murphy \$15 a day, and Murphy paid me \$12 or \$12.50; I won't be sure. I don't remember that; either one of the two, but I believe it was \$12.50.

Mr. McCULLOCH. I may make this observation, if the Chairman has any information about it, I would like to know. My understanding is that there is documentary evidence in the record that the Government paid for these trucks to the Bentley Co. as contractors \$25 a day, which, plus the percentage, would be \$25 plus 7 per cent, would it—or approximately 7 per cent? Now, you say that on the sliding scale upward you got \$12.50; that Murphy got \$15, and the K. & S. Trucking Co. got \$16.50?

Mr. FULLER. I only know that I got \$12.50; I don't know whether it was \$12 or \$12.50. I only know what he told me about the rest.

Mr. McCULLOCH. I understand that, but you do know, though, that you got only \$12.50?

Mr. FULLER. Twelve or twelve fifty. I know that I got \$12 or \$12.50, and that is all.

Mr. McCULLOCH. So that, between there some place, if the Government paid \$25 to the contractor, and the percentage on the cost plus basis, \$12.50 got away somewhere?

Mr. FULLER. Yes.

Mr. McCULLOCH. And all you know is what Murphy told you that he got \$15 and the other fellow \$16.50.

Mr. FULLER. Yes.

Mr. McCULLOCH. Fifteen going to him, and sixteen fifty to the K. & S. Trucking Co.?

Mr. FULLER. Yes.

Mr. McCULLOCH. Did you ever hear anybody say, or did you have any conversation with anybody that would indicate to you that Tragelis got any commission whatever on the trucks?

Mr. FULLER. No, not any more than what Murphy said. He said he had a stand in with Tragelis, and Tragelis could not kick him off the job. That is all I know about that, only what he said. I do not know anything personally.

Mr. McCULLOCH. Where is Murphy?

Mr. FULLER. I could not say. I have not seen him since last March a year ago.

Mr. McCULLOCH. But this you do know, that you had a conversation with Tragelis and Tragelis told you you could not get your trucks in there directly?

Mr. FULLER. That was it exactly.

Mr. McCULLOCH. And that you then had to go to Murphy?

Mr. FULLER. Yes.

Mr. McCULLOCH. And that you succeeded then in getting your trucks on the job?

Mr. FULLER. Yes.

Mr. McCULLOCH. Indirectly?

Mr. FULLER. Yes; that is right.

Mr. McCULLOCH. Are you acquainted with the officials or officers of the K. & S. Trucking Co.?

Mr. FULLER. Yes.

Mr. McCULLOCH. Do you know who they are?

Mr. FULLER. Well, Schulman is one, and a fellow by the name of Kissinger was the other, and John Joyce was in with them, and a little later, before I left Chillicothe, it was the J., K. & S. Trucking Co., which, I think, were about the same fellows.

Mr. McCULLOCH. You, of course, had business relations with them to some extent, didn't you; you were both furnishing trucks?

Mr. FULLER. Before the job was done Mr. Murphy went away and he gave me a letter to Joyce to pay me for the trucks, and John Joyce paid me for the use of the trucks, and that is why I think that Murphy got \$15 a day, because that is what he paid me for Murphy, and I gave Murphy the difference back then.

Mr. MCKENZIE. You are sure, then, that Murphy got something out of it?

Mr. FULLER. Well, he surely did. He operated the trucks. I didn't operate them, or nothing. You see this man Frazer rented them to him in the first place, and I just bought them and went ahead.

Mr. McCULLOCH. How do you know that the J., K. & S. Trucking Co. was operated by the same people as the K. & S. Trucking Co.?

Mr. FULLER. Well, I don't know that, only I know that Schulman and Kissinger and Joyce were in the K. & S. Trucking Co., or at least Joyce went down and drew the money, and then afterwards, when they changed to the J., K. & S. Trucking Co., Mr. Joyce told me he was in it.

Mr. McCULLOCH. So you do know that Joyce was in both companies?

Mr. FULLER. Yes.

Mr. McCULLOCH. Did you furnish your trucks through Murphy, then, to the K. & S. Trucking Co., and he furnished them to the Government?

Mr. FULLER. I furnished them to Murphy and Murphy furnished them to the K. & S. Trucking Co., and they furnished them to the Government.

Mr. McCULLOCH. When did the name change from the K. & S. Trucking Co. to the J., K. & S. Trucking Co.?

Mr. FULLER. I don't remember just exactly when that was.

Mr. McCULLOCH. But when the name changed from the K. & S. Trucking Co. to the J., K. & S. Trucking Co. did you furnish the same trucks on the same sliding scale upward to Murphy and then to the J., K. & S. Trucking Co. instead of the K. & S. Trucking Co., and then to the Government?

Mr. FULLER. Yes; the same thing in the same way. You see, we were only there a short space of time; about three weeks, I think.

Mr. McCULLOCH. Then did the name of the J. K. & S. Truck Co. change?

Mr. FULLER. It changed to the Ohio Trucking Co.

Mr. McCULLOCH. When did that occur?

Mr. FULLER. Well, that occurred the following spring; of 1918, in the spring, or in the winter some time. How I knew this, our



company was called the Ohio Trucking Co., and I went up to see Mr. Joyce one day and I gave him one of my cards, and he said, "You can not use that name because we have incorporated as the Ohio Trucking Co.," and then he showed me some of his stationery. But I don't think they ever operated under that name to amount to anything, because they went to Nashville, Tenn., and they were the National Trucking Co. there.

Mr. McCULLOCH. Did they furnish the trucks for the Government at Nashville?

Mr. FULLER. Yes.

Mr. McCULLOCH. What was there?

Mr. FULLER. They worked on the powder plant there at Old Hickory.

Mr. McCULLOCH. Was Tragelis there?

Mr. FULLER. Yes; for a while. He got fired away after a while.

Mr. McCULLOCH. Did you say the Nashville Trucking Co.?

Mr. FULLER. No; it was the National Trucking Co.

Mr. McCULLOCH. The National Trucking Co. was that operated by the same men that operated the Ohio Trucking Co.; was Mr. Joyce in that?

Mr. FULLER. Yes; and I think a couple of men were added to it. I think Mr. Kissinger was not in that, but Mr. Schulman was in it, and Mr. Joyce and Mr. Marker and Mr. Rowe. Mr. Marker, he is connected in the State here some way, in the Ohio commission, or something.

Mr. McCULLOCH. Was Mr. Marker State highway commissioner?

Mr. FULLER. Yes; I think he is connected here in some way.

Mr. McCULLOCH. Was he an officer in or connected with the National Trucking Co.?

Mr. FULLER. Yes; and Mr. Rowe, he is president of this sewer-pipe company down here. He is connected with it, or was. I think he was president of it.

Mr. McCULLOCH. Did you offer, at any other time than the one time you have mentioned, to furnish your trucks direct to the Government?

Mr. FULLER. I did to Tragelis twice down there.

Mr. McCULLOCH. Down at Nashville?

Mr. FULLER. No; at Camp Sherman. At Nashville, after Tragelis left there, a man by the name of Eastland came there, and I went to him and tried to get them direct there. but I could not do it.

Mr. McCULLOCH. You had to go through this other door, is that it?

Mr. FULLER. Yes; the National Trucking Co.

Mr. McCULLOCH. Was there any trouble down at Nashville?

Mr. FULLER. Yes.

Mr. McCULLOCH. Will you tell us about it?

Mr. FULLER. Well, they had 2-ton trucks and ton and a half trucks, and they had the ton and a half truck rated as 2-ton trucks.

Mr. McCULLOCH. Who had them?

Mr. FULLER. The National Trucking Co.

Mr. McCULLOCH. In other words, they had rated them as 2-ton trucks when they were in fact 1½-ton trucks?

Mr. FULLER. Yes.

Mr. McCULLOCH. Was there a difference in the price paid on the 2-ton trucks?

Mr. FULLER. Yes; the 1½-ton truck was \$1.50 an hour, and the 2-ton truck was \$2.50, and the 3-ton truck was \$3 an hour, and from that on up to 5 was \$3.50 per hour?

Mr. McCULLOCH. What was the size of yours?

Mr. FULLER. Two-ton trucks.

Mr. McCULLOCH. And they would be rated at what?

Mr. FULLER. \$2.50.

Mr. McCULLOCH. For how many hours a day—10 hours?

Mr. FULLER. Oh, land, they worked some days 20 hours, and they worked Sunday and every day.

Mr. McCULLOCH. Every day?

Mr. FULLER. Yes.

Mr. McCULLOCH. Was there any payment for overtime on them?

Mr. FULLER. Yes; they got so much an hour for every hour they worked. I got 90 cents an hour, and they got \$2.50 an hour; that is the basis of it. Of course, they furnished the gas and the oil and the driver, and so on.

Mr. McCULLOCH. Didn't the Government furnish that?

Mr. FULLER. Not at Nashville they didn't.

Mr. McCULLOCH. But they did here?

Mr. FULLER. Yes.

Mr. McCULLOCH. Were you on the same basis here?

Mr. FULLER. No; I got \$12.50 here.

Mr. McCULLOCH. And you do not know what they got here?

Mr. FULLER. No; I don't.

Mr. McCULLOCH. Down there they got \$2.50, and you got what?

Mr. FULLER. Ninety cents an hour.

Mr. McCULLOCH. Did you make any effort to go on direct down there?

Mr. FULLER. I surely did.

Mr. McCULLOCH. Tell us about that?

Mr. FULLER. I did not go to Tragelis because I knew there was no use, but after he left there I went to Mr. Eastland. He was the head man, and he said if they did not get to doing better he would let me on direct, and I went to him twice, I think it was, after that but I could not get any satisfaction.

Mr. McCULLOCH. You told him, and you asked him to let you on direct?

Mr. FULLER. I told him I would like to get on direct, but I could not get any satisfaction out of him.

Mr. McCULLOCH. Did you offer to go on at a less figure?

Mr. FULLER. I told him I would.

Mr. McCULLOCH. How much less?

Mr. FULLER. I told him I would go on at \$2.25.

Mr. McCULLOCH. But you could not get the trucks on direct?

Mr. FULLER. No, sir.

Mr. McCULLOCH. But at the same time your trucks were on and being operated but you had to operate them through somebody else?

Mr. FULLER. Yes; through somebody else.

Mr. McCULLOCH. What excuse was given to you for that kind of procedure?

Mr. FULLER. There was not any. I just simply tried to get the trucks on direct and couldn't do it, and that was all there was about it. I could not get them on there at all. They were on there, but I could not get them on direct. There were other companies had trucks on there. The Blake people, from Cleveland, had their trucks there—about 60 trucks there—but that was a different company altogether.

Mr. McCULLOCH. You do not know anything about their transactions?

Mr. FULLER. No, sir.

Mr. McCULLOCH. Or how they got theirs on?

Mr. FULLER. No, sir; I don't. Well, they must have gotten them on through Tragelis when he was there, because there was some of their trucks when I first went there, and I went there on the 15th day of April.

Mr. McCULLOUGH. Let us get that clear: Did Tragelis represent the contractor; he was their transportation man?

Mr. FULLER. Yes; for the Du Pont people; they had the contractor.

Mr. McCULLOCH. That is, down there; but how about up here?

Mr. FULLER. Well, here he was transportation man, I think, for Bentley & Co.

Mr. McCULLOCH. How do you know that the K. & S. Trucking Co. only got \$16.50?

Mr. FULLER. I don't know; only what he told me.

Mr. McCULLOCH. What they told you?

Mr. FULLER. They did not tell me. Mr. Murphy told me.

Mr. McCULLOCH. Murphy told you he understood they got \$16.50?

Mr. FULLER. Yes.

Mr. McCULLOCH. At this point I would like to offer an exhibit, which I will ask to have printed in the record, if there is no objection, and marked Exhibit 16S.

Mr. MCKENZIE. What is the nature of it?

Mr. McCULLOCH. It is a communication from the constructing quartermaster to Col. I. W. Littell, Cantonment Division, Washington, D. C. The subject is "Hire of automobiles." It is dated August 13, 1917, and is signed by Ward Dabney, captain, Quartermaster Corps, and it is a request for permission to pay overtime on automobiles, which was granted.

Mr. DOREMUS. This is all taken from the official files at Washington?

Mr. McCULLOCH. Taken from the official files at Washington.

Mr. DOREMUS. That is for automobiles and drivers?

Mr. McCULLOCH. No; just automobiles. I think that is all. I have no more questions. Is that all, Mr. Chairman?

Mr. MCKENZIE. Yes; that is all.

(Exhibit 16S is copied into the record, as follows:)

WAR DEPARTMENT.

OFFICE OF THE CONSTRUCTING QUARTERMASTER.

*Camp Sherman, Chillicothe, Ohio, August 13, 1917.*

From: Constructing quartermaster.

To: Col. I. W. Littell, Cantonment Division, 1333 F Street NW., Washington, D. C.

Subject: Hire of automobiles.

1. We anticipate some trouble over the question of pay for hire of automobiles. The amount authorized in the contract is \$5 per day. Early in the

construction period 10 hours was decided upon as a day, the officer then in charge being under the impression that it would not be necessary to exceed that length of time; however, it is a frequent occurrence that we must use cars 11 hours and in some cases longer. We have a few cars without drivers, and these cars are in our possession throughout the 24 hours.

2. It seems to me to be inadvisable to lower the rate on any cars now that the precedent has been set; on the other hand, it would not be just to the Government to pay by the hour at the standard rate for a car which we keep permanently in our possession.

3. I therefore suggest that authority be granted me to pay 50 per cent per hour for cars held for more than 10 hours, provided that no car costs the Government more than \$6 per day. This, I am sure, would satisfy all owners.

4. I personally consider that \$5 per day is a very adequate return for any car in our service, but the trouble arises through having established a flat rate for all cars, regardless of make or value, at \$5 per day. It was actually intended that 10 hours would be considered the minimum, but it was not sufficiently explained to the owners and they have come to consider this as the maximum.

5. Instruction requested by wire.

WARD DABNEY,  
*Captain, Quartermaster's Corps.*

AUGUST 15, 1917.

CONSTRUCTING QUARTERMASTER,  
*Camp Sherman, Chillicothe, Ohio.*

Your letter August 13 relative automobile hire. This office does not recommend changing established scale of \$5 per day.

I. W. LITTELL,  
*In charge of Cantonment Division.*  
THE A. BENTLEY & SONS Co.,  
*Toledo, Ohio, November 23, 1917.*

CONSTRUCTING QUARTERMASTER,  
*Camp Sherman, Ohio.*

Overtime on rented automobiles:

Aug. 8-14, 1917.....	\$964.59
Aug. 15-21, 1917.....	635.25
Aug. 22-28, 1917.....	761.75
Aug. 29-Sept. 4, 1917.....	841.00
Sept. 5-11, 1917.....	839.50
Sept. 12-18, 1917.....	726.25
Sept. 19-25, 1917.....	699.75
Sept. 26-Oct. 2, 1917.....	745.25
Oct. 3-9, 1917.....	699.75
Oct. 10-16, 1917.....	576.00
	<hr/> \$7,489.09

Shortages and discharges..... 389.62

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7,878.71

THE A. BENTLEY & SONS Co.,  
*Chillicothe, Ohio, Camp Sherman.*

To: Maj. Dabney, constructing quartermaster.  
Subject: Automobile overtime.

Attached we hand you bill covering overtime for rented automobiles. You will note this bill is sufficiently detailed to show the periods in which this overtime accrued. We earnestly request reimbursement as we feel that the expenditure was a necessary one.

You will note in figuring the overtime we have allowed 10 hours as constituting a day. This for the reason that when the job was originally started 10 hours was authorized as a day, and the automobiles were rented on that basis, and in order to not delay the work, we were compelled to pay the owners the overtime in order to secure the cars.

We recite herewith some of the reasons which caused this overtime to accrue :

1. Transporting both your and our office help to and from Chillicothe before and after working hours.
2. Transporting telephone operators who were working three shifts of eight hours each.
3. Transporting pay-roll clerks working nights.
4. Transporting camp guard.
5. Transporting soldier guard on pay days.
6. Transporting paymasters on pay days.
7. Transporting timekeepers, foremen, etc., during period construction crew were working overtime.
8. Services of night car for men working nights.
9. Transporting of traffic, expediting, and labor employment crews who worked at various hours during the night.

Trusting you will pass this bill for payment, we are,

Respectfully, yours,

I. S. HILLEBRAND,  
*Secretary and Treasurer A. Bentley & Sons Co.*

[First indorsement.]

OFFICE CONSTRUCTION QUARTERMASTER,  
*Camp Sherman, Chillicothe, Ohio, November 27, 1917.*

TO THE CANTONMENT DIVISION,  
*Washington, D. C.*

1. Referred.
2. This matter has been the subject of previous discussion by letter from this office of August 13, 1917, and your reply by wire of August 15, 1917.
3. It seems to this office that the contractor has worked in good faith and with a view to expediting the work at this cantonment. Reconsideration of former decision is recommended and authority for reimbursement is requested.

WARD DABNEY,  
*Major (Infantry), Quartermaster, United States Army.*

[Second indorsement.]

CANTONMENT OFFICE,  
*Washington, D. C., December 1, 1917.*

TO THE CONSTRUCTING QUARTERMASTER,  
*Camp Sherman, Chillicothe, Ohio.*

1. Under the circumstances, the payment of \$1 per day for the extra overtime seems to be fair, but it is not clear just what is meant by the inclosed bill, which shows the total of \$7,878.71. Can it be possible that there were in use as many as 100 rented automobiles which were subject to overtime charges? Please let us have full information.

By authority of the Secretary of War:

I. W. LITTELL,  
*Brigadier General, Quartermaster Corps, National Army,*  
*In Charge of Cantonment Construction.*

By PHILANDER BETTS,  
*Major, Engineers, Reserve Corps.*  
B. F. M.

[Third indorsement.]

CONSTRUCTING QUARTERMASTER,  
*Camp Sherman, Chillicothe, Ohio, December 18, 1917.*

TO OFFICER IN CHARGE OF CANTONMENT CONSTRUCTION,  
*Washington, D. C.*

1. Returned, inviting attention to the inclosed letter and statement from the Bentley Co., together with the pay rolls covering the overtime payments on automobiles.

WARD DABNEY,  
*Major (Infantry), Quartermaster Corps.*

DECEMBER 20, 1917.

OFFICER IN CHARGE OF CANTONMENT CONSTRUCTION,  
*Constructing Quartermaster, Camp Sherman, Chillicothe, Ohio.*

Automobiles:

1. This is to acknowledge receipt of the detailed statements concerning the renting of automobiles in connection with the construction of Camp Sherman.

2. Your arrangement to pay \$1 per day extra compensation where automobiles were detained for use in excess of 10 hours is approved, and you are instructed to make these payments in accordance with your corrected statement, which is returned herewith.

3. It is understood that the constructing quartermaster's accountability has been taken over by the camp quartermaster, and these papers should therefore be transferred to him if this is necessary in order to close the matter.

By authority of the Secretary of War:

I. W. LITTELL,  
*Brigadier General, Quartermaster Corps, National Army,*  
*in Charge of Cantonment Construction.*  
 By PHILANDER BETTS,  
*Major, Engineers Reserve Corps.*

### TESTIMONY OF MR. JOHN W. COULTER, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is John W. Coulter, is it?

Mr. COULTER. Yes.

Mr. McCULLOCH. C-o-u-l-t-e-r?

Mr. COULTER. Yes.

Mr. McCULLOCH. You live near Chillicothe?

Mr. COULTER. Yes.

Mr. McCULLOCH. On a farm?

Mr. COULTER. Yes.

Mr. McCULLOCH. Post-office address, Chillicothe, Ohio, R. F. D. No. 5; is that right?

Mr. COULTER. Yes; that is correct.

Mr. McCULLOCH. In what business are you engaged, Mr. Coulter?

Mr. COULTER. I farm some, and work at carpenter work.

Mr. McCULLOCH. How long have you been working at carpenter work?

Mr. COULTER. Ever since I was 13 years old.

Mr. McCULLOCH. You are a qualified carpenter; is that it?

Mr. COULTER. Yes; my father took me out with him when I was 13 years old, and I followed carpenter work up until the last eight years, and then I went out on a farm, and then when this camp commenced I went over there and took a job.

Mr. McCULLOCH. And you took a job over there when?

Mr. COULTER. I took a job over there first the last day of July, 1917.

Mr. McCULLOCH. Under what contractor?

Mr. COULTER. Bentley.

Mr. McCULLOCH. How long did you work for Bentley?

Mr. COULTER. Three months; somewhere near that.

Mr. McCULLOCH. Then what did you do?

Mr. COULTER. After that?

Mr. McCULLOCH. Yes.

Mr. COULTER. I went back home.

Mr. McCULLOCH. Then did you later on work for McGrath?

Mr. COULTER. Yes.

Mr. McCULLOCH. When did you go to work for McGrath?

Mr. COULTER. Along about the middle of August—the middle or the last of August; somewhere along there when they called me.

Mr. McCULLOCH. Of 1918?

Mr. COULTER. Yes.

Mr. McCULLOCH. How long did you work for him?

Mr. COULTER. Between three and four months.

Mr. McCULLOCH. And in what capacity; as carpenter?

Mr. COULTER. No, sir; I was foreman.

Mr. McCULLOCH. As carpenter foreman?

Mr. COULTER. Yes; both times.

Mr. McCULLOCH. Both for Bentley and McGrath?

Mr. COULTER. Yes.

Mr. McCULLOCH. Had you had any experience in constructing buildings so that you would be able to estimate the cost of buildings?

Mr. COULTER. Well, yes; some.

Mr. McCULLOCH. Are you familiar with the labor cost on some of those barracks buildings at Camp Sherman; do you know about what the labor cost was on some of them, approximately?

Mr. COULTER. I know somewhere near; yes.

Mr. McCULLOCH. Could you give us some idea of what the labor cost was on some of the buildings that you can designate to us?

Mr. COULTER. Well, there were some of them—I know I put in one that I think ran about \$1,300; carpenter labor.

Mr. McCULLOCH. Any others?

Mr. COULTER. Yes; there was another one right across from me that ran to between \$1,800 and \$1,900, somewhere along there.

Mr. McCULLOCH. Any others?

Mr. COULTER. That is all I paid any attention to.

Mr. McCULLOCH. Did you have any that ran as high as \$2,300?

Mr. COULTER. I did not.

Mr. McCULLOCH. Do you know of anybody that did?

Mr. COULTER. I heard some of them talking about it that they ran from \$2,300 to \$2,500.

Mr. McCULLOCH. What would you estimate that labor cost—the carpentering labor cost on those buildings costing \$1,800 to \$2,300 would be ordinarily under the contract system, or—

Mr. COULTER. What it should be?

Mr. McCULLOCH. Yes; what it should be?

Mr. COULTER. Well, I will tell you; I would be glad to have those barracks buildings for a year right along at \$1,000 apiece.

Mr. McCULLOCH. As I understand you, then, you would be willing to build them and work on them for a year for \$1,000 apiece?

Mr. COULTER. Yes, I would be glad to.

Mr. McCULLOCH. And those were buildings that you say you understand the labor cost was from \$1,800 to \$2,300 and \$2,500?

Mr. COULTER. Yes.

Mr. McCULLOCH. How do you account for the labor cost on those buildings being so great?

Mr. COULTER. Well, there were too many men on the barracks, too many men that did not do anything.

Mr. McCULLOCH. Were they in one another's road?

Mr. COULTER. Yes.

Mr. McCULLOCH. Did they work with any kind of speed?

Mr. COULTER. They could not. They were all tangled up as they were. One man would cut off a piece of board and turn around to pick up a hatchet, and some other fellow had thrown the board away, and he would have to cut another one.

Mr. McCULLOCH. What do you say as to the system that was followed there with the number of men that were on this work resulting in delay of construction rather than speed in construction?

Mr. COULTER. There were entirely too many men.

Mr. McCULLOCH. And did that delay the work?

Mr. COULTER. Of course it delayed it.

Mr. McCULLOCH. In what proportion; we just want to get a little idea?

Mr. COULTER. Oh, you take it where a man had 36 and up to 50 men, he could have done as much with 20 men, that were mechanics, more than he could do with those that he had.

Mr. McCULLOCH. And quicker?

Mr. COULTER. Yes.

Mr. McCULLOCH. Give us some idea of your estimate on that in detail; you gave us an estimate or figures on the labor cost; could it have been done in one-half the time if they had gone about it in a systematic and proper way?

Mr. COULTER. Somewhere near that.

Mr. McCULLOCH. In somewhere near one-half the time?

Mr. COULTER. Yes.

Mr. McCULLOCH. You were foreman; did you receive any orders, or did you have any conversations with your superiors that would give you an impression which would lead you to believe that it was the intention that you should not speed the work up, but that it should move along in a slow manner?

Mr. COULTER. Well, none to amount to anything. At one time I got through a job, and before I got through I went down to the office and told them I would be through by half-past 2 o'clock and that they could send a team up after the men's tools. I had to go way down to the other end of the camp, and I asked if there was anything I could do so that I could place my men right away, and he said, "Well, I will see; you go down," and so I took my men and went down there, and he says, "Coulter, I am awfully busy and I wish you would take your men down along the line in a shady place, some place out of sight, and keep them there until I come to you." So I done it.

Mr. McCULLOCH. What do you mean by "out of sight"?

Mr. COULTER. I don't know, but he wanted me to keep them out of sight.

Mr. McCULLOCH. That is, he did not want you to have your men running around there loafing so that anybody could see them?

Mr. COULTER. Yes.

Mr. McCULLOCH. He wanted them to loaf, is that it?

Mr. COULTER. It looked that way. He didn't have any work.

Mr. McCULLOCH. Was there at any time any orders coming to you to speed up and hurry the work along and get the work done?

Mr. COULTER. Were there any orders of that kind?



Mr. McCULLOCH. Yes.

Mr. COULTER. No, sir.

Mr. McCULLOCH. On the contrary, the impression was given out not to speed up, wasn't it?

Mr. COULTER. Well, there wasn't anything said to me in regard to not speeding up or speeding up.

Mr. McCULLOCH. When you did attempt to push the work, were you criticized for it?

Mr. COULTER. No, sir.

Mr. McCULLOCH. What were your orders as to discharging your men?

Mr. COULTER. Well, one day I would get orders if I had a man that didn't suit me, to discharge him, and maybe in two hours, or in the afternoon I would get another order not to discharge any men at all, but to keep them right there.

Mr. McCULLOCH. Did you ever know of men being hired as carpenters and carried on the pay roll as carpenters who were engaged in carrying water?

Mr. COULTER. Yes.

Mr. McCULLOCH. Just tell us about that.

Mr. COULTER. Well, I had a water boy part of the time, and part of the time I wouldn't have; he would not show up, and we would need water, and I would go up to the office—when the men would want water, I would go to the office and they would say, "Haven't you got any water boy?" and I would tell them "No," and they would say, "If you haven't got any boy, then put one of your carpenters on." and we would have a carpenter on for maybe a week before I would get a water boy.

Mr. McCULLOCH. Still drawing carpenter's pay?

Mr. COULTER. Yes.

Mr. McCULLOCH. Who was carrying water?

Mr. COULTER. Yes; maybe he would be on a week, or maybe only be on a couple of days, and then they would send me a water boy.

Mr. McCULLOCH. Did you participate in the flag-raising with Kelly?

Mr. COULTER. Yes.

Mr. McCULLOCH. Tell us a little about that?

Mr. COULTER. Well, they would come around—send the time-keeper or something of that kind around to the foremen and tell us to come to Kelly's office at 2 o'clock, or 2.30, for a flag-raising, and we would go up there and stand around there the rest of the day, and they would get a big flag up and raise it up on a pole on a building and have a kind of jollification and have a few speeches out of some of those fellows, and then we would go back down, as it would be about quitting time.

Mr. McCULLOCH. How about the men; what were they doing during the time the foremen were jollifying?

Mr. COULTER. I could not tell you, because I was not there to see them, but they would do like they did most of the time; and that is, that they were not doing much of anything in the way of work. We had to leave them when we were ordered to do so.

Mr. McCULLOCH. Conditions of this kind, such as you have described, could only result in delay; is that correct?

Mr. COULTER. That is all.

Mr. McCULLOCH. And if it should be urged that these methods are adopted in order to secure speed, the fact was that the contrary was true, and they did not make for speed?

Mr. COULTER. Yes; we were called up several times that way to come up there, and they would take pictures of the foremen, saying that some lady would come there, and they would tell us to come up there at a certain time and get a big flag up against the building for a background, and get up there and get Kelly up on a box where he would be a little higher than the rest of us, and they would take a photograph of them, and maybe wait there on that lady for a couple of or three hours together, and she would be delayed, and when she would come she would fly around there and take a lot of pictures, and then she would go off and develop them, and then she would come back and sell them to the workmen or whoever she could, and then in a few days she would come back and take another group.

Mr. McCULLOCH. And that was all done on the Government time?

Mr. COULTER. Why, certainly. I got paid for it.

Mr. McCULLOCH. And while this was going on—these incidents that you have told here—the actual building of the barracks for the housing of the soldiers was being delayed to that extent; is that right?

Mr. COULTER. Yes.

Mr. McCULLOCH. In a general way, what do you say about waste materials at Camp Sherman?

Mr. COULTER. Well, there was an awful lot wasted.

Mr. McCULLOCH. What kind of materials were wasted?

Mr. COULTER. All kinds.

Mr. McCULLOCH. All kinds of building materials?

Mr. COULTER. Yes.

Mr. McCULLOCH. By that do you mean lumber?

Mr. COULTER. Yes, and other materials.

Mr. McCULLOCH. Lumber, tar paper, roofing material, nails, hardware, beaver board?

Mr. COULTER. Yes; they would haul siding enough there to put up two barracks, and part of it would lay at the side of the building, and they would haul other siding there, and come right along and run over that siding that was piled there with the trucks and wagons and mash it up before you got ready to put it in the building, and they would say when you got ready you could order more.

Mr. McCULLOCH. Are you a taxpayer?

Mr. COULTER. Yes.

Mr. McCULLOCH. How did that kind of business set with you, as a taxpayer, knowing that you would have to help pay for it?

Mr. COULTER. Well, just that I would have it to pay, and 'that would be about all. Of course, I didn't like the idea of it at all, but I had to stand it along with the rest of them.

Mr. McCULLOCH. Was any of this waste and this delay that you have spoken of within the knowledge of the agents of the contractors?

Mr. COULTER. The superintendent and these other men.

Mr. McCULLOCH. Did they know what was going on there?

Mr. COULTER. They surely did.

Mr. McCULLOCH. They could not help but know it, could they?

Mr. COULTER. They could not help but know it.

Mr. McCULLOCH. Would you care to make an estimate—a matter of opinion, of course, and that is all it could be—in the light of your experience—would you object to giving the committee an estimate as to the amount that Camp Sherman should have been built for in comparison with what it was built for?

Mr. COULTER. Well, I should think that there were 30 per cent of labor and material wasted.

Mr. McCULLOCH. And you make that as a conservative estimate?

Mr. COULTER. Yes.

Mr. McCULLOCH. How about the system of time keeping; can you tell us anything about that?

Mr. COULTER. Well, under Bentley, the foreman had to take the man's name and number every morning and he had to take it again in the afternoon, and then there were timekeepers for the Government—Government timekeepers and Bentley timekeepers, and they would come around to the foreman and go off and sit down with him and take the time off of your book. Sometimes Bentley's timekeeper would not be there; would not be there, maybe, for a day or two, and he would send some little boy in knee pants to get the time, and he would come down around there and take it and then in a few days when the timekeeper would get back from wherever he was, he would come and want you to refer back in your book for a couple or three days.

Mr. McCULLOCH. The timekeeper was off the job a good part of the time?

Mr. COULTER. Yes; off the job a good part of the time.

Mr. McCULLOCH. As a matter of fact, isn't this true: That the keeping of time was largely, if not entirely, in the hands of the foreman?

Mr. COULTER. They seemed to expect him to do a whole lot of it.

Mr. McCULLOCH. And that is the way it worked out, wasn't it?

Mr. COULTER. Yes.

Mr. McCULLOCH. Even the Government timekeeper would come to the foreman to check up the time and he would take the time that the foreman had noted in his book?

Mr. COULTER. Yes.

Mr. McCULLOCH. So that if a foreman had 50 or 60 men on there and he wanted to beat the Government, he would have been able to do so, wouldn't he, without much danger of being checked up; isn't that right?

Mr. COULTER. Why, certainly. He said with the men scattered around all over the building, he would have to take our time.

Mr. McCULLOCH. So that while the Government check on time might have been a beautiful theory, yet in fact it was impractical and amounted to nothing; isn't that about right?

Mr. COULTER. That is about right.

Mr. DOREMUS. Somewhat leading.

Mr. McCULLOCH. Do you object to it?

Mr. DOREMUS. No; I do not.

Mr. McCULLOCH. How about the plumbers; were they loafing on the job, too?

Mr. COULTER. They surely were.

**Mr. McCULLOCH.** You saw them, did you?

**Mr. COULTER.** I saw a bunch of them in the building where I was working.

**Mr. McCULLOCH.** Tell us about that in a word?

**Mr. COULTER.** They were on a strike at that time, and they were sitting around there at the end of the building, hammering up soil pipe and melting lead, and then take a little gravel and shoot it into it that way, and see it splash out. They stayed on the job, though.

**Mr. McCULLOCH.** And got their pay?

**Mr. COULTER.** I suppose they did. They were there on the job all the time.

**Mr. McCULLOCH.** Can you tell us anything about construction being wrong and changes being made, and so on, due to lack of management and properly laying out the work?

**Mr. COULTER.** Yes, sir.

**Mr. McCULLOCH.** Tell us about that.

**Mr. COULTER.** I have seen buildings that were commenced and partly up and then they had to take them down.

**Mr. McCULLOCH.** Did you ever see teamsters and truck drivers run over small tools around the place and break them up; did you notice any waste of that kind, or carelessness?

**Mr. COULTER.** I have seen them—I do not know that I have seen them run over any tools, but I have seen them run over lumber. I have seen them run over lumber, and I have seen them come in there with a load of lumber and get stuck in the mud and use most of the load of lumber throwing it under the trucks, to pull themselves out.

**Mr. McCULLOCH.** Did you ever see anything like this in your life before in the way of waste?

**Mr. COULTER.** No, sir; I never did. I have seen them take off rolls of roofing and throw under the truck, when they had a load on, to get it to hold so that they could pull out.

**Mr. McCULLOCH.** And this was under the direction, or under the supervision, at least, of the agents of the contractor?

**Mr. COULTER.** Yes, sir.

**Mr. McCULLOCH.** They knew what was going on, didn't they?

**Mr. COULTER.** They ought to; they were supposed to,

**Mr. McCULLOCH.** And did that go on during all of the time you were there?

**Mr. COULTER.** Yes, they ran over lumber from the time they commenced until they quit.

**Mr. McCULLOCH.** Did this waste and idleness continue during all the time you were there?

**Mr. COULTER.** Yes.

**Mr. McCULLOCH.** And that covered about how many months you were on the job?

**Mr. COULTER.** Well, I was there a little over five months, I guess.

**Mr. McCULLOCH.** That is all.

**Mr. DOREMUS.** At these flag raisings, was Kelly the chief orator of the occasion?

**Mr. COULTER.** I do not know whether he was or not. He sent the timekeepers around to the foremen to appear there.

**Mr. DOREMUS.** You said something about Kelly getting up on a box?

Mr. COULTER. Yes, they put him up on a box in the group.

Mr. DOREMUS. Was he one of the orators at the flag raisings?

Mr. COULTER. Oh, yes.

Mr. DOREMUS. How many of these flag raisings did you attend?

Mr. COULTER. I attended two or three of them.

Mr. DOREMUS. Two or three?

Mr. COULTER. Yes—flag raisings.

Mr. DOREMUS. Did you take your gang along with you?

Mr. COULTER. No, sir; nobody only the foremen. We left our gangs on the job.

Mr. DOREMUS. Oh, just the foremen attended the flag raisings?

Mr. COULTER. Just the foremen attended the flag raisings and the photographing.

Mr. DOREMUS. What has been your experience as a carpenter-contractor?

Mr. COULTER. I never contracted any.

Mr. DOREMUS. You never put up any buildings on your own account?

Mr. COULTER. No, sir.

Mr. DOREMUS. Upon what do you base your estimate that there was 30 per cent of waste in time, labor, and material on that job?

Mr. COULTER. Well, on having too many men there on the job, and the waste of lumber and running over it, and trampling it in the mud, and mashing it up, and hauling it out, and things of that kind.

Mr. DOREMUS. But how did you reach your figure of 30 per cent?

Mr. COULTER. Well, only by the time that it took on each job and the material that was destroyed.

Mr. DOREMUS. This waste lumber and waste material generally that you saw as you have stated you think constituted about 30 per cent of all the material that was hauled on the job?

Mr. COULTER. Something near that. It and the labor.

Mr. DOREMUS. How long do you think it should have taken to have built Camp Sherman and get it ready for the troops upon their arrival?

Mr. COULTER. Well, I don't know about that—how long it would take.

Mr. DOREMUS. You haven't any idea as to how long a time it should have taken?

Mr. COULTER. No; I never tried to figure that out.

Mr. DOREMUS. Do you think it could have been built in 60 days?

Mr. COULTER. Oh, no.

Mr. DOREMUS. What?

Mr. COULTER. Oh, no; it could not have been built in that time.

Mr. DOREMUS. As I understand it, from your experience you do not feel yourself qualified to give an estimate of what would be a reasonable time for the construction of that job; is that right?

Mr. COULTER. Well, if I had the time to sit down and figure it out I probably could; yes. But then there is a whole lot to take into consideration there.

Mr. DOREMUS. Do you know how many buildings there were?

Mr. COULTER. No, sir; I do not.

Mr. DOREMUS. I think you have testified that you never got any orders from anybody to slow up?

Mr. COULTER. I never got any orders from anybody to slow up.

Mr. DOREMUS. I do not suppose you ever told any of your men or any of the men in your gang that they would have to slow up?

Mr. COULTER. No, sir; you did not have to tell them that. You nearly always had to keep them moving around. They were slow enough as it was.

Mr. DOREMUS. What success did you have in getting a day's work out of the men in your gang?

Mr. COULTER. Well, there was men that I didn't have any trouble getting a day's work out of; and then again there was men that I did not get a day's work out of, nor nobody else could, for it was not in them.

Mr. DOREMUS. Then there were some honest men on the job, you think?

Mr. COULTER. I had some carpenters that were all right, but then they were very few. There were so many of them that were not carpenters.

Mr. DOREMUS. Did you have any farmers who were doing carpenter work?

Mr. COULTER. Oh, I had all kinds.

Mr. DOREMUS. Did any of these inexperienced men who went on this job as carpenters develop into fair workmen?

Mr. COULTER. No, sir.

Mr. DOREMUS. Not very many of them?

Mr. COULTER. No, sir.

Mr. DOREMUS. How many men did you have in your gang, Mr. Coulter?

Mr. COULTER. Oh, I would have anywhere from 30 to 60, or 65, and sometimes 70.

Mr. DOREMUS. You say the cost of the barracks that were constructed under your supervision ran from \$1,300 to \$1,800?

Mr. COULTER. No, sir; I said the one of my own that I made the estimate upon and kept the figures for, ran somewheres near \$1,300, and the one right across from me—I knew the kind of men he had, and we talked back and forth every day and I thought I would see about what the cost of one of them was, and I would total it up every night to see the number of men I had, and the number he had, and to see how the buildings would run. I wanted to get an idea of about what one of them was costing.

Mr. DOREMUS. I think you testified you put up one upon which the labor cost was about \$1,300?

Mr. COULTER. Yes; something like that.

Mr. DOREMUS. What would the labor cost run on the others that were constructed?

Mr. COULTER. Well, I don't know just what it would run; I did not keep any account of it.

Mr. DOREMUS. I guess that is all.

Mr. MCKENZIE. That is all; call your next witness.

**TESTIMONY OF MR. C. E. FRANCIS, 441 STANLY STREET,  
CHILLICOTHE, OHIO.**

(Witness duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is C. E. Francis, and I understand you live at 441 Stanly Street, Chillicothe, Ohio; is that right?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. Did you work on Camp Sherman?

Mr. FRANCIS. I worked a few days on Camp Sherman, from July until about the 11th of September, I think, about 2 or 3 months.

Mr. McCULLOCH. A little over 2 months, probably?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. Did you work as a carpenter?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. Carpenter foreman or just carpenter?

Mr. FRANCIS. Just carpenter.

Mr. McCULLOCH. I wish you would tell the committee now, briefly, just what you observed as to the number of men that were on the various jobs?

Mr. FRANCIS. Well, I don't know but——

Mr. McCULLOCH. Were there more than could work effectively?

Mr. FRANCIS. Yes; I would say three times as many men on that job as ought to have been.

Mr. McCULLOCH. And were they working all over one another?

Mr. FRANCIS. Yes, just scrambling over one another; in one another's road.

Mr. McCULLOCH. Now, were they competent men?

Mr. FRANCIS. No, sir.

Mr. McCULLOCH. What percentage of them were carpenters and what percentage were the other way; just estimate it in a general way?

Mr. FRANCIS. Well, in our gang there was possibly one-fourth of them that were carpenters.

Mr. McCULLOCH. And the other three-fourths of them were what?

Mr. FRANCIS. Well, just anything that they could pick up.

Mr. McCULLOCH. They were working on this job and because of the large number of men, I understand, that were working on the job they could not work to advantage?

Mr. FRANCIS. Yes; that is correct.

Mr. McCULLOCH. And naturally that would delay the work, wouldn't it?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. How much do you say the work would be delayed by reason of too many men being on and inefficient men being on?

Mr. FRANCIS. Well, possibly one-half.

Mr. McCULLOCH. In other words, it could have been done in one-half the time if you had had an efficient force of men on there and they would have worked, is that right?

Mr. FRANCIS. Yes; that is right.

Mr. McCULLOCH. But the reason it took so much longer was that they had so many men and they were inefficient and they did not work, is that right?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. What did you observe in regard to so many men being on a building—a roof, we will say, that their safety was endangered because of the number; do you remember any occasion of that kind?

Mr. FRANCIS. I have been on a roof where there would be so many men that we would be afraid some of them would fall or that

the structure would collapse because it would not even have any siding on and they would be up there putting the roof on.

Mr. McCULLOCH. Give us some idea of how many men would be on the roof?

Mr. FRANCIS. I have seen as high as 75 men on one roof.

Mr. McCULLOCH. And you were afraid the roof would collapse?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. Did you ever know of any one of the buildings falling down?

Mr. FRANCIS. When I first went there—just the day before I went—there was one collapsed.

Mr. McCULLOCH. You did not see it collapse?

Mr. FRANCIS. No, sir.

Mr. McCULLOCH. But you just heard about it?

Mr. FRANCIS. Heard about it.

Mr. McCULLOCH. And why did it collapse, if you heard; was it because there were too many men on it?

Mr. FRANCIS. Yes; too many men on it, and they took the braces off of it too soon.

Mr. McCULLOCH. Did you observe any waste materials there?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. Was there waste of all kinds of material?

Mr. FRANCIS. Waste of all kinds of material.

Mr. McCULLOCH. Lumber, nails, plaster board, roofing?

Mr. FRANCIS. Yes; but I don't know that I saw much roofing wasted.

Mr. McCULLOCH. Hardware, nails, and all that kind of thing?

Mr. FRANCIS. Yes, nails—when I would go to clean out a barracks it would have possibly sometimes a keg of nails strewn around over the floor.

Mr. McCULLOCH. Was the waste there great?

Mr. FRANCIS. Yes, there was lots of waste there.

Mr. McCULLOCH. Did you ever see anything like it in your life before?

Mr. FRANCIS. I never did.

Mr. McCULLOCH. Are you a taxpayer?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. You own your own home, is that it?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. Got any children?

Mr. FRANCIS. Got five.

Mr. McCULLOCH. Now, there is one other set of men I would like to ask you about, and that is the plumbers; what do you say about the way they worked?

Mr. FRANCIS. Well, I am afraid to say.

Mr. McCULLOCH. Just tell us what you know about it, briefly.

Mr. FRANCIS. The way they worked around the barracks there they were about as idle a set of men as I ever seen around any barracks where I worked.

Mr. McCULLOCH. How much work do you suppose they got out of them each day on the average?

Mr. FRANCIS. Got possibly two hours, and some of them they didn't get two hours.



Mr. McCULLOCH. And they got paid for 11 hours for 10 hours' work?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. And they stayed there 10 hours?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. What do say as to whether or not the contractor and his representatives knew about this idleness and this waste?

Mr. FRANCIS. They could not help but know about it.

Mr. McCULLOCH. Did the waste and idleness and the loss resulting from the idleness continue during all the time you were there?

Mr. FRANCIS. Yes.

Mr. McCULLOCH. Did you ever have any orders to slow up?

Mr. FRANCIS. Why, only by our foreman.

Mr. McCULLOCH. What did the foreman tell you?

Mr. FRANCIS. Told us to keep low; that there was not much doing.

Mr. McCULLOCH. Not do much work?

Mr. FRANCIS. Not do much. There was for a while there possibly 50 men there, where there didn't one-third of them work; didn't have nothing for them to do.

Mr. McCULLOCH. But they were all on the pay roll and staying there?

Mr. FRANCIS. Yes; but we could not get any orders to do anything.

Mr. McCULLOCH. Were there any orders about discharging any of the men?

Mr. FRANCIS. No.

Mr. McCULLOCH. Do you know of many men being discharged?

Mr. FRANCIS. There would be an order come to discharge the men, and at the same time that afternoon they would reinstate them and pay them for the full time that they were off.

Mr. McCULLOCH. I think that is all I want to ask, Mr. Francis.

Mr. DOREMUS. No questions.

**TESTIMONY OF MR. CLARENCE GARRETT, R. F. D. NO. 1,  
CHILLICOTHE, OHIO.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Clarence Garrett?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. And your post-office address is R. F. D. No. 1, Chillicothe, Ohio?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Do you live in the country?

Mr. GARRETT. Right in the camp.

Mr. McCULLOCH. You live right in the camp?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Did you work for the Bentley Construction Co.?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. When did you commence?

Mr. GARRETT. The latter part of July or the first part of August.

Mr. McCULLOCH. When did you stop working for them?

Mr. GARRETT. Either the latter part of November or the first part of December.

Mr. McCULLOCH. Who was your foreman?

Mr. GARRETT. His name was Rumley; I don't know what his first name was.

Mr. McCULLOCH. Of Wilkes-Barre, Pa.?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Were you in a position to observe the proceedings about the camp?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. And how the men worked and the waste?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee just what you observed in a general way as to the waste of material and the idleness of the men.

Mr. GARRETT. In the material, the lumber would be hauled out and destroyed and throwed on the scrap piles, and some of it was burned, and when they got scarce of lumber they would pick it out the best they could, some of it, and maybe use it and maybe it was taken back again. And wall board, you would see a lot of that throwed out and throwed on the scrap pile, and whole bundles of flooring, some of that had never been opened was throwed on the scrap pile.

Mr. McCULLOCH. So they burned good lumber?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Good lumber was wasted?

Mr. GARRETT. Yes; and not only lumber but everything else they used.

Mr. McCULLOCH. Just willful waste; is that right?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Now, can you give us in a general way your idea—it would be only your opinion—as to the percentage of waste there? Was it one-half or one-third?

Mr. GARRETT. From all I saw I should judge a half.

Mr. McCULLOCH. That was wasted?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. And that applied to all kinds of material?

Mr. GARRETT. Yes, sir; more to nails than anything else.

Mr. McCULLOCH. I wish you would tell the committee just what you observed in regard to too many men being on the job and the idleness of the men on the job.

Mr. GARRETT. Well, there was times when they had once again as many on the job as they needed on the job, and they would run short of lumber and tell them to slow up; they were short of lumber and they had to get more lumber before they could get a full force up and working in the way they ought to.

Mr. McCULLOCH. Were they inefficient, most of the carpenters?

Mr. GARRETT. In our bunch there was about 60, and I think about 10 or 15 of them that never drove a nail until they came on the job there.

Mr. McCULLOCH. As the result of the system there, the idleness of the men, and having too many men on the job, what do you say as to whether or not that delayed the work or speeded it up?

Mr. GARRETT. It delayed it.

Mr. McCULLOCH. How much would you say it delayed it?

Mr. GARRETT. Well, I would not be able to say that.

Mr. McCULLOCH. Would it delay it a considerable time, or——

Mr. GARRETT (interposing). Oh, sure.

Mr. McCULLOCH. How much quicker would you say that that work could have been done if they had had an efficient force on there and gone about it in a systematic manner and with the view of accomplishing something; could it have been done in a half of the time or two-thirds of the time——

Mr. GARRETT (interposing). If they all worked the same that I saw it would have been done in half of the time; if it all went the way I saw.

Mr. McCULLOCH. Did you ever know of men being told to get in the clear and keep out of the road?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. GARRETT. One time they were short of lumber, and for about a week and a half or two weeks of that time they told the fellows to keep in the clear. They wanted to keep them on the job until they got more lumber. Some of the fellows lived in Dayton and wanted to go home and they said, no, to stay there. They were afraid if they got away they wouldn't get them back again, so they kept them standing around until the lumber got around there.

Mr. McCULLOCH. Do you know of a man by the name of Riley being put on your gang as a water carrier?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. How much did he get?

Mr. GARRETT. He got carpenter's wages.

Mr. McCULLOCH. Carpenter's wages?

Mr. GARRETT. Yes, sir; carpenter's wages.

Mr. McCULLOCH. Fifty-one dollars and sixty cents a week.

Mr. GARRETT. Yes, sir; he was a plumber by trade, but he had been a carpenter and he went down town—he had never worked at the carpenter trade before, but he went down town and bought him a hammer and came out there, and he was put on as a carpenter, and then he was on the job as a water boy.

Mr. McCULLOCH. Drawing how much?

Mr. GARRETT. Fifty-one dollars and sixty cents a week.

Mr. McCULLOCH. Do you know of men checking in in the morning and going away and staying all day, and coming back and checking out again?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Was that a frequent occurrence?

Mr. GARRETT. I couldn't say it was a frequent occurrence, but they would check in in the morning and then go away and check out in the evening; come back in the evening and check out.

Mr. McCULLOCH. And they were paid, as you understand, for full time?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. You were not a foreman and did not keep any record?

Mr. GARRETT. No, sir.

Mr. McKENZIE. Was that with the knowledge of the foreman? Do you know whether the foreman was aware of that fact?

Mr. GARRETT. The foreman was on the job all the time and was around his men; he should have known when those men were there.

Mr. McCULLOCH. I have a memorandum here and I am going to read it to you to facilitate matters and get them along; to the effect that you had seen workmen building a road one day and tearing it out the next.

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. That you saw them dig a ditch one day and then filling it up the next?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. And one gang put these little watersheds over the doors and windows and another gang was tearing them off?

Mr. GARRETT. I saw that.

Mr. McCULLOCH. What was your judgment as to why that was done? What was the reason for it in your opinion? To keep men busy?

Mr. GARRETT. I could not see what else it could be for.

Mr. McCULLOCH. Did it seem absurd to you that any such thing should happen?

Mr. GARRETT. Why, sure.

Mr. McCULLOCH. You would not do it if you had been building a building or would have permitted it to be done?

Mr. GARRETT. No, sir.

Mr. McCULLOCH. Did you ever see anything like the waste and idleness that you saw on that camp?

Mr. GARRETT. I never saw anything like it; no, sir.

Mr. McCULLOCH. I want to read one final paragraph of the memorandum I have. The labor waste and material waste during the entire construction period of Camp Sherman were beyond the conception of the casual observer and most wilful and were with the full knowledge of the men at the head of the construction.

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. Do you care to comment on that?

Mr. GARRETT. It was with the full knowledge; they were on the job every day and it was done for them.

Mr. McCULLOCH. They did know about it?

Mr. GARRETT. I don't suppose they did know, but they should have known; they were there where they could see it. It was right before them.

Mr. McCULLOCH. And it was going on all the time you were there?

Mr. GARRETT. Yes, sir.

Mr. McCULLOCH. I think that is all.

Mr. DOREMUS. No questions.

#### TESTIMONY OF MR. HARRY O. REESE, OF 526 VINE STREET, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Give your full name and address to the reporter?

Mr. REESE. Harry O. Reese, 526 Vine Street, Chillicothe, Ohio.

Mr. McCULLOCH. Were you employed at Camp Sherman?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. How long were you employed there?

Mr. REESE. Either from the early part of June or the first part of July until October.

Mr. McCULLOCH. Now, you were a carpenter foreman?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. You were a carpenter foreman at Sherman?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. And then you went to Jacksonville?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. And were a carpenter foreman there?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. Have you worked for Bentley or the Bentley Construction Co. at any other place?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. Where?

Mr. REESE. At Toledo.

Mr. McCULLOCH. In his private construction work?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. What do you say about the amount of labor that was on the job that was unnecessary?

Mr. REESE. Well, anyway from one-third to a half more men on most of the jobs than were needed.

Mr. McCULLOCH. You worked at Camp Sherman from June, 1917, until November 1, 1917?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. And you say there was one-third to a half more men there than there should have been.

Mr. REESE. Yes, sir.

Mr. McCULLOCH. To make an efficient force?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. What were the qualifications of the men; were they qualified for the work?

Mr. REESE. In most cases; no, sir.

Mr. McCULLOCH. What percentage would be qualified or what per cent not qualified?

Mr. REESE. My judgment would be there wasn't half of them qualified as carpenters.

Mr. McCULLOCH. Now, what do you say as to those conditions, having too many men on the job and men who are not qualified on the job in the percentages given? What do you say as to whether or not that would delay the work?

Mr. REESE. Yes, sir; greatly.

Mr. McCULLOCH. How much would you say?

Mr. REESE. Fifty per cent.

Mr. McCULLOCH. So that fact that they had an over-sufficient number of men, and not efficient men, and not the right number of men who were efficient, and not properly managed—if they had had the proper men it should have been done in half of the time?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. What do you say as to the waste of materials?

Mr. REESE. Well, you might say 35 or 40 per cent of the lumber, and I presume 50 per cent of the nails, because they were set out in kegs and the heads were busted in, or they were dumped out.

Mr. McCULLOCH. Seemed to be a willful waste there?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. Generally throughout?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. And in the matter of nails there was a waste of 35 or 40 per cent, you say?

Mr. REESE. Yes; 50 per cent.

Mr. McCULLOCH. In the matter of nails, 50 per cent?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. Now, you have worked for Mr. Bentley on his private work?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. His contract work?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. What do you say as to the difference in time first in the construction work between the system followed at Camp Sherman by Mr. Bentley on the cost-plus basis and the system he followed in his private work; which was the quickest?

Mr. REESE. His own work, by far.

Mr. McCULLOCH. By how much?

Mr. REESE. By a good deal.

Mr. McCULLOCH. Fifty per cent?

Mr. REESE. Well, that is hard to say. His men would have to do a great deal more work under him than they did out there.

Mr. McCULLOCH. They did a great deal more work, didn't they, in the private organization?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. Just to get it clear and get right at it; what do you say, just your own opinion and estimate, as to how much quicker a given amount of work could be done under the system Bentley follows in his private business than it would have been done under the system followed at Camp Sherman?

Mr. REESE. Well, a man would have to have done three times the work.

Mr. McCULLOCH. In other words, a man working on a private job for Bentley would have had to do three times what he did on Sherman?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. Now, then, what do you say as to the comparison of waste in materials?

Mr. REESE. Well, on any private job the material, he could not have worked if he wasted material like he did there.

Mr. McCULLOCH. He wouldn't have had him on the job?

Mr. REESE. No, sir.

Mr. McCULLOCH. Now, you were a carpenter foreman. I wish you would tell the committee—this is a cumulative proposition, because we have testimony of that kind—I wish you would tell the committee just what system was followed in keeping the time.

Mr. REESE. Well, in general the foreman's time book was taken; if a man's time was short they generally went to the foreman for the correct time.

Mr. McCULLOCH. Was that true of the Government checkers as well as of Bentley's checkers?

Mr. REESE. The Government checkers checked partly by Bentley's books and would go to the foreman for the rest of it.

Mr. McCULLOCH. As a result of that they had to go largely by the foreman?

Mr. REESE. If a man was short, the foreman was the only man that could give him the correction or get the correction for him.

Mr. McCULLOCH. So that that being true, the matter would be up largely to the foremen?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. Have you any instances that you can bring to the attention of the committee that would throw any additional light on this situation there?

Mr. REESE. No; I don't believe I have.

Mr. McCULLOCH. Do you know of water boys on your gang receiving carpenter's pay?

Mr. REESE. Yes; there was just for a short time—just for short periods, when I didn't have any water boys.

Mr. McCULLOCH. Was this waste and idleness, and so on, within the knowledge of the representatives of the contractor who were over you?

Mr. REESE. It must have been known; he could see it.

Mr. McCULLOCH. Anyone could see it?

Mr. REESE. Yes, sir.

Mr. McCULLOCH. I think that is all.

Mr. DOREMUS. You were a foreman, as I understand it?

Mr. REESE. Yes, sir.

Mr. DOREMUS. Did you ever get any orders from anybody to have the men in your gang slow down and not do so much work?

Mr. REESE. No, sir; I took it for granted that whenever material was short that was the best thing to do.

Mr. DOREMUS. But you never had any orders from anybody to that effect?

Mr. REESE. No, sir.

Mr. DOREMUS. That is all.

#### TESTIMONY OF MR. GROVER C. BETZ, EAST WATER STREET, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Grover C. Betz?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. And you live on East Water Street in Chillicothe, Ohio?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. Were you employed as a carpenter by the Bentley Construction Co., at Camp Sherman?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. And by the McGrath people?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. Will you tell the committee just briefly what you observed as to there being too many men on the job there and also as to their being idle?

Mr. BETZ. Well, I was no carpenter foreman. I had had a little experience with my father; I was not working at the trade at the time Camp Sherman began, but I had a couple of men 16 years old boarding at my house who were working over there and drawing

carpenter's wages, and I was working for the railroad company for \$85 or \$90 a month, and I thought I might as well get carpenter's wages, too. I went and got a job on July 6, 1917, and stayed there with them until they closed out their contract and went to Jacksonville. Then I took a job with a meat packing company for awhile and when the McGrath Co. got a contract, then I went to McGrath and stayed with him until he finished the contract, and then I went with the quartermaster in the camp and had been with him ever since.

Mr. McCULLOCH. You are at the camp now?

Mr. BETZ. Yes, sir; cashier in the clothing and supply department.

Mr. McCULLOCH. Working for the Government?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. As a civilian?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. And are you working there now?

Mr. BETZ. Yes, sir; and during the time I was with Bentley up through August and September everybody was working pretty fast, and from that time on everybody slowed down and there was for two weeks there I don't think a man did any more than two hours work a day. I was with a man named Smith, from Dayton, the foreman; he quit when I did, or when they quit and went to Jacksonville, Fla.

Mr. McCULLOCH. Were there too many men on the job?

Mr. BETZ. There were, of the kind. There was men 16 years old, that had never done a thing but go to school all their lives, working there.

Mr. McCULLOCH. And drew carpenter's wages?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. With the result that they were not skilled and in the road of skilled men?

Mr. BETZ. Yes; I was not skilled myself; I worked seven years at it.

Mr. McCULLOCH. You could do the work?

Mr. BETZ. Yes; the kind of work at Camp Sherman; just rough work.

Mr. McCULLOCH. What do you say as to the system followed there with regard to the idleness and there being too many men, resulting in delay?

Mr. BETZ. Well, none of us realized how much of a job it was when we began there to put it up in the time it was to be put up. But some of the men were loafing around. I seen them myself shooting craps in the toilets for a half day at a time and never would be on the job. The foreman couldn't help but know it. But it was not the foreman's fault, because they were told to keep them out of the road or somebody would lose a job. For example, when the camp was getting near completion, that is, in October—I think on October 13 is the time—I quit and Bentley and son left the bunch to go to Florida, there was a solid two weeks I don't think any man did two hours' work a day. We went from one building to another and nailed a few boards on the bottom.

Mr. McCULLOCH. There is no question about the magnitude of the job and its importance, but isn't that all the more reason why it should be handled properly?



Mr. BETZ. Yes, sir.

Mr. McCULLOCH. Do you say it was handled properly or improperly?

Mr. BETZ. Improperly.

Mr. McCULLOCH. And you say the stuff was wasted?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. All kinds of material?

Mr. BETZ. Yes, sir; of course, I seen lots of paper, such as roofing paper, and one time under McGrath's administration I seen not less than 100 stoves setting in the open—not furnaces, but stoves—for three weeks at a time, when they could have been placed in a building. I could take you to the building where they were setting; I don't know the number of the building.

Mr. McCULLOCH. In the open?

Mr. BETZ. Yes, sir; and became rusty. They set there at least three weeks.

Mr. McCULLOCH. What do you say as a general proposition as to whether the waste was very great?

Mr. BETZ. To my estimation, it was.

Mr. McCULLOCH. How great, by percentage?

Mr. BETZ. I suppose, on the whole thing, at least 10 per cent or maybe 25 per cent of waste on the construction of Camp Sherman, on everything, building materials.

Mr. McCULLOCH. Did you see that much?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. That much more than it should be?

Mr. BETZ. Well, I should say 10 per cent more wasted than necessary. You have to figure on some wastage on a thing like that. I know the people that sawed some lumber and made mistakes and put it on the buildings and it had to be torn off, and nobody could use it after it was torn off.

Mr. McCULLOCH. Did you see the bone pile when it was burning?

Mr. BETZ. Yes, sir; I have gathered lumber out of it myself.

Mr. McCULLOCH. Good lumber?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. Did you see it burning?

Mr. BETZ. I wasn't close to it; I have seen it at night when I was going home but I would be a quarter of a mile from it.

Mr. McCULLOCH. Well, you had worked at the business, but never figured as a contractor?

Mr. BETZ. No, sir; never professed to be. I worked with my father; he had been a carpenter all his life.

Mr. McCULLOCH. So that you would not be prepared to estimate the cost or compare it with any other job?

Mr. BETZ. No, sir.

Mr. McCULLOCH. And that 10 and 25 per cent would be your opinion based upon your experience?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. How about carloads of lumber being thrown over the river bank and being washed away?

Mr. BETZ. The lumber over the river bank—after the carpenter-contractor would take us from one building to another after we had completed it they would throw out everything that was in the

building and the trucks came along and gathered it up. I never seen any place where they done any sorting. They would come along and gather up the whole pieces that had been thrown from the upstairs windows or out of the downstairs and hauled away. I couldn't say what became of it.

Mr. McCULLOCH. It was hauled away?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. Without any sorting?

Mr. BETZ. It was never sorted.

Mr. McCULLOCH. Do you know about the building for the Cleveland engineers?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. Tell us about that, in a word.

Mr. BETZ. Well, we were building runways from one building to another, or another sun porch—the buildings are close together and they are connected by a sun porch, I was under Mr. Smith, from Dayton, when we were working in there, and they called us about 10 o'clock and said we were to build mess halls and it is now in the maneuver field, where the Cleveland engineers—the engineers that surveyed the field were camped, there were about 10 rows of buildings and we were to build a mess hall at each end. We built those buildings, and I don't think it was over two weeks before they were torn down. They moved away, the engineers, and they wanted that for a maneuver ground and they tore it down. The sheathing was all wasted and the roof was all burned.

Mr. McCULLOCH. On the spot?

Mr. BETZ. Yes, sir; right where they tore it down. I am not certain, I think it was ten or more buildings on that place. I had a picture of this row at home and if I had it I could show you how many buildings there were.

Mr. McCULLOCH. It was torn down and the material destroyed?

Mr. BETZ. Yes, sir; those buildings were torn down by soldiers that came into the camp and that was used for a maneuver ground.

Mr. McCULLOCH. Now, you say under the Bentley Construction Co. the idleness and waste was great. What do you say as to whether this waste of materials and idleness was known to the contractors?

Mr. BETZ. There is no doubt it was known.

Mr. McCULLOCH. And acquiesced in; that is, they gave their approval?

Mr. BETZ. More than likely, because the foreman would not give us something to do and we would sit around and they would tell us to keep out of the way and they would not know what to put us at; that is, after the camp had been almost completed in October.

Mr. McCULLOCH. As a matter of fact, they did not remedy the conditions?

Mr. BETZ. No, sir.

Mr. McCULLOCH. And those conditions remained there?

Mr. BETZ. Yes, sir.

Mr. McCULLOCH. Tell the committee about yourself and the other men making toys on Government time.

Mr. BETZ. Well, I didn't like to sit around all the time and I made a few pieces of furniture for my home and I have it at home now.

And others did the same thing. I did not like to sit there; some would play cards and some would do this and some that.

Mr. McCULLOCH. Some would shoot craps?

Mr. BETZ. Yes; some would shoot craps. I made some furniture, and I think every man on the job made a new tool box while he was there.

Mr. McCULLOCH. At Government expense and with Government lumber?

Mr. BETZ. Yes; certainly.

Mr. McCULLOCH. I will ask you this: During the time you worked for McGrath's did the same conditions prevail?

Mr. BETZ. Yes; practically the same thing. I never was called on to hurry, and if I was called on to do a thing I did it.

Mr. McCULLOCH. There wasn't much for you to do, is that right?

Mr. BETZ. No, sir.

Mr. McCULLOCH. Did the contractors—the McGraths—know about the conditions?

Mr. BETZ. They surely did.

Mr. McCULLOCH. And they were remedied while you were there?

Mr. BETZ. No, sir; I made the expression at one time while I was with Bentley & Sons that I would rather have the wasted nails than my salary on the job. The young fellows in our bunch, and I know of some on the other jobs, if they were called to go to another job and had an apron full of nails, and were called to go to another job where they would have to use another size, they would not go to the keg and put them back in, but dumped them out and let them fall down through the joists or shavings or any old place.

Mr. McCULLOCH. I have a memorandum here that I will read and I would like to have you comment on it. This is from my notes, and I will read it, "It was evident to anyone that both the Bentley and McGrath people were making the most of their opportunity without any attempt to give value to the Government."

Mr. BETZ. I am sure they were there for what they could get out of it.

Mr. McCULLOCH. Is that a correct statement?

Mr. BETZ. Yes, sir.

Mr. McKENZIE. I understood you to say that you went with Bentley to Jacksonville?

Mr. BETZ. No, sir; I worked for Bentley & Son in Camp Sherman until they went to Jacksonville.

Mr. McKENZIE. That is all.

## TESTIMONY OF MR. GEORGE A. BONNER, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your full name?

Mr. BONNER. George A. Bonner.

Mr. McCULLOCH. Where do you live, Mr. Bonner?

Mr. BONNER. Chillicothe.

Mr. McCULLOCH. Do you live in the town?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. What is your business?

Mr. BONNER. Undertaking.

Mr. McCULLOCH. Did you work at Camp Sherman?

Mr. BONNER. I drove a car.

Mr. McCULLOCH. Drove an automobile?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. Can you give the committee any information in regard to the way the work was carried on at Camp Sherman as you observed it?

Mr. BONNER. Well, I drove the timekeepers back and forth to their meals, and during the day I hauled the timekeepers to the trucks; took them back and forth over the camp.

Mr. McCULLOCH. What did you observe in regard to the use of trucks and teams?

Mr. BONNER. Well, they had too many. They would go up in the field and take their time; you would catch them there standing and ask them what they were doing, and they were waiting for orders to unload. There were two or three men with a wagon, and the driver never done anything to help unload. He just drove the wagon.

Mr. McCULLOCH. You saw them loafing around there?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. You say there were too many on this job?

Mr. BONNER. Yes, sir. They had 450 at one time and about 70 trucks.

Mr. McCULLOCH. How many of those teams, of those 450 could have done the work if they were working in the ordinary way?

Mr. BONNER. About 200.

Mr. McCULLOCH. So you say there were 250 there that had no business there at all?

Mr. BONNER. No business there at all.

Mr. McCULLOCH. Did the same apply to the trucks?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. How about the men; how many were on the job?

Mr. BONNER. Too many, in my judgment; they were in each others road all the time.

Mr. McCULLOCH. You observed that on the whole camp?

Mr. BONNER. Yes; I went all over the camp twice a day.

Mr. McCULLOCH. You went all over the camp?

Mr. BONNER. Yes; wherever there was any buildings going on or any buildings going up at all.

Mr. McCULLOCH. Did the same conditions prevail all over the camp?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. The men were idle?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. How about the waste of materials, did you notice the materials being wasted?

Mr. BONNER. I would see them hauled away at the time.

Mr. McCULLOCH. Valuable materials?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. Where was it hauled to?

Mr. BONNER. Some down on the dump and some on the river bed and the wire fencing was thrown in the sewer ditches.

Mr. McCULLOCH. Were the conditions such as to make the ordinary man feel that there was something radically wrong there?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. Did you feel that way about it?

Mr. BONNER. Yes, sir; I did.

Mr. McCULLOCH. Are you a taxpayer?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. Did you ever see as much idle labor around any place else in your life?

Mr. BONNER. No, sir.

Mr. McCULLOCH. Did you think it was a willful waste?

Mr. BONNER. Yes, sir; I think so.

Mr. McCULLOCH. You did come in contact with the timekeepers and some of the officials, did you?

Mr. BONNER. Well, I never came in contact with any of the officials. In the first place, when I first went out there I went on the 6th day of July, and the third day I got the timekeepers, along in July, and was hauling them then until the Government took them over. While they were under Bentley I would bring them in to supper and take them out and stay there until 2 or 3 o'clock in the morning to get their books straightened out; just sat there.

Mr. McCULLOCH. Got paid for all of the time?

Mr. BONNER. Yes, sir.

Mr. McCULLOCH. Did you hear any conversations among the timekeepers about padding the pay rolls?

Mr. BONNER. No, sir; nothing of that kind. And finally the Government took over the timekeepers in three or four weeks, and then Bentley had timekeepers of his own.

Mr. McCULLOCH. Is there any other matter now that you could bring to the attention of the committee?

Mr. BONNER. No, sir.

Mr. McCULLOCH. That is all.

Mr. MCKENZIE. Is there a Mr. Johnson in the room at the present time? [There was no response.] There was a gentleman by the name of Johnson spoke to me just before we went to lunch that he would like to testify here in response to some statements made and in response to newspaper items. If he comes in and is present here and anybody knows him, we will certainly give him an opportunity. I told him we would try to get through with the witnesses summoned first and then we will hear him.

**TESTIMONY OF MR. WALTER PICKENS, 345 PARK STREET,  
CHILlicothe, OHIO.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your full name is Walter Pickens?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. You live at 345 Park Street, Chillicothe, Ohio?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. Were you employed at Camp Sherman by the Bentley Construction Co.?

Mr. PICKEN. Yes, sir.

Mr. McCULLOCH. How long did you work there?

Mr. PICKENS. I went to work for Bentley on the sawmill on July 13 and worked until—I worked through July and August.

Mr. McCULLOCH. In what capacity did you work?

Mr. PICKENS. I was a mechanic on the gasoline engine.

Mr. McCULLOCH. Where?

Mr. PICKENS. On the sawmills to saw the lumber.

Mr. McCULLOCH. Who was your foreman?

Mr. PICKENS. Hollingsworth, the old man, brother of the superintendent of the job, Hollingsworth.

Mr. McCULLOCH. When you went there, what did you do?

Mr. PICKENS. When I first went there I had 1 engine and sawmill to look after and later 10 engines and sawed the material there, and they put it in the sheds, and I sawed it in different sizes. If a carpenter foreman wants a piece sawed out, he sends an order of so many pieces cut a certain way and of a certain width, you see.

Mr. McCULLOCH. What do you know about the destruction of good lumber?

Mr. PICKENS. Well, I have seen them bring over—a fellow came with an order to saw out so many pieces, so much lumber, and that lumber would lay on the piles, and there was a man there to look after the fire—the fire chief, and there was another fellow was assistant to the fire chief and he kept taking this scrap lumber away and taking it to the old canal bed and this lumber laid there a while and he got orders to take it away—I suppose from old man Hollingsworth—and it was taken to the old canal bed and burned. All kinds of lumber was taken from the sawmill and burned.

Mr. McCULLOCH. It was cut up first?

Mr. PICKENS. Oh, yes; and throwed it on the scrap pile. They might have stacks of lumber from here to the wall [indicating] and about twice as high as I am. It might be for the gables on the barracks. One time there was a big bunch out there. They burned up so much lumber they had to quit, they were afraid of burning up the cantonment. Many a day it got so hot they couldn't burn it. And they hauled it then to the river bed.

Mr. McCULLOCH. How did you look upon that? You are a practical young fellow; did you consider it a willful waste?

Mr. PICKENS. Yes, sir; but the same old story; the same old song.

Mr. McCULLOCH. What?

Mr. PICKENS. Waste—any old way to get by with it. I lost my job. Old man Hollingsworth canned me. My brother was working on the portable sawmills; they had a lot of these portable mills they could pull them over to the different buildings, and my brother had the same kind of a job I had, looking after the gasoline engines over there; and my brother would carry the gasoline and oil over there for the engines and these fellows running automobiles would come up and take his gasoline; sometimes my brother would have to carry it, the gasoline, a half a mile, and he didn't like that, carrying it, and somebody else using it. So he told his boss about it and my brother lost his job on account of it.

Mr. McCULLOCH. Because he told about that?

Mr. PICKENS. I suppose so. And my brother was telling me of some ditching machines that came in there and the back fillers used gasoline. I said, "Pete, maybe that old guy hasn't anything to do with; maybe you could get a job over there." He wanted to see old man Hollingsworth and tell him about that. The superintendent Hollingsworth and old man Hollingsworth are brothers. I call him the old man, because he looks the oldest. He is my foreman at the

sawmill. My brother told him about this, and in a couple of days I lost my job. And my brother got a job on the back filler. I know the reason I lost my job was because my brother and I could tell too much. And they put a fellow on that job that didn't know enough to connect up dry cells to make a proper ignition. So I went to work for Gibbons after that.

Mr. McCULLOCH. You could get a job without any trouble?

Mr. PICKENS. Yes, sir; but they needed a man, because there was a lot of fellows there that professed these things that couldn't do it. I know a fellow that came on there as a laborer; he was a funny looking guy. You have seen these old-time pictures of bums with beards about four or five weeks old and can tied to them——

Mr. McCULLOCH (interposing). He was typical.

Mr. PICKENS. He was typical. I was then getting 65 cents an hour and he was getting 40.

Mr. McCULLOCH. What did you get?

Mr. PICKENS. Sixty-five; he was made my assistant. I thought he was a pretty good guy, and then he was running to old man Hollingsworth to knock me out of this good job. One day some plumbers were trying to start a gasoline engine to do some work and I came along, and there was a man there, the foreman, and I said, "How about looking after these engines?" He said, "Can you do it?" I said, "Yes." He said, "Then start it." I said, "You pay me." He asked me where I had been working—he said, "Were you discharged?" I told him I was, and he asked me where I was working, and I said on the sawmill, and then he asked me whether I was discharged, and I said, yes. That was all there was said and he gave me a job and I went down and started that engine. I goes into the laundry one day; I goes into the boiler room, and there is that guy what infringed upon me; he was in there as plumber. I knowed this guy.

Mr. McCULLOCH. Is that all you care to say about that?

Mr. PICKENS. Well, later on, when a job was put in, it was put in wrong and Mr. Shoemaker had to tear that out.

Mr. McCULLOCH. They were on the rolls as plumbers?

Mr. PICKENS. They were on the rolls as plumbers.

Mr. McCULLOCH. And they had to tear out the work?

Mr. PICKENS. Yes. When my engines were working all right I used to drop around there—I could hear them puffing and hear the exhaust and I could get away from them—and I used to drop around there.

Mr. McCULLOCH. You say he was not mechanical, and it was not mechanically done?

Mr. PICKENS. No, sir; it was not.

Mr. McCULLOCH. And it was due to the inefficiency of the men there?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. And lack of management?

Mr. PICKENS. Yes, sir; under Bentley. Gibbons was efficient enough. But Shoemaker had to tear that work out.

Mr. McCULLOCH. You say there was a great deal of waste there as a result of inefficiency?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. And that was one instance?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. Were there many other instances?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. You had had experience on this line and knew your business?

Mr. PICKENS. I did, sir.

Mr. McCULLOCH. And you will say to this committee that because of the inefficiency there they had to tear out some work, and there was great loss?

Mr. PICKENS. Yes, sir; and know when I was on the sawmill there was a boy there got carpenter's wages for carrying water and helping me to look after the engines.

Mr. McCULLOCH. \$51.60 a week?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. Was there much idleness among the men?

Mr. PICKENS. Well, I guess there was, because I heard them say they went to the river to shoot craps. I didn't see much, but it was common talk they did nothing.

Mr. McCULLOCH. Was that a common idea, to do nothing?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. And draw wages whether they worked or didn't work?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. And that kind of an idea in the minds of men would delay the work and cause loafing on the job?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. And did not get good work?

Mr. PICKENS. Yes; if you had a pull with a certain foreman you was all set. You couldn't go to the employment bureau and get a job. I couldn't get with McGrath for a long time, until they needed me and had to have me.

Mr. McCULLOCH. You finally got a job?

Mr. PICKENS. Yes; they had to have men and couldn't get along without me.

Mr. McCULLOCH. Did the same conditions of idleness prevail under McGrath?

Mr. PICKENS. Yes, sir; I didn't work as long for McGrath.

Mr. McCULLOCH. I know; but the same conditions prevailed?

Mr. PICKENS. Yes, sir. One of those buildings on High Street, where they had built a building, there was a lot of stuff in McGrath's bone yard, and they got an old engine out of there that had been there for four or five years and bring it down there. Several carpenters, two or three or four carpenters, made the cutting table for this sawmill, and I overhauled the engine; I ground the valves and fixed it up in condition. He brought inferior machinery there and the Government paid for it.

Mr. McCULLOCH. A special price?

Mr. PICKENS. Yes, sir.

Mr. McCULLOCH. And you say it was no good?

Mr. PICKENS. Yes; we made it work. We was a long time making it work.

Mr. McCULLOCH. I guess that is all.

Mr. DOREMUS. Who discharged you?

Mr. PICKENS. Hollingsworth.



Mr. DOREMUS. He was your foreman?

Mr. PICKENS. Yes, sir.

Mr. DOREMUS. What reasons did he give?

Mr. PICKENS. He said he didn't need me, but at the same time I was there and he had another man there to take my place——

Mr. DOREMUS (interposing). Is that the only reason he gave?

Mr. PICKENS. Yes; but at the same time——

Mr. DOREMUS (interposing). I will ask you about that. He told you you were discharged because he didn't need you?

Mr. PICKENS. Yes, sir.

Mr. DOREMUS. Do you know whether Hollingsworth had orders from anybody not to discharge you?

Mr. PICKENS. I tell you what I think about Hollingsworth——

Mr. DOREMUS (interposing). I didn't ask you what you think. Now, do you know whether he had any orders to discharge you?

Mr. PICKENS. No, sir; I don't know what orders he had; but I know what Hollingsworth done was all O. K. with everybody else around there.

Mr. DOREMUS. That is all.

**TESTIMONY OF MR. JAMES O. MILLER, 166 RACE STREET,  
CHILLICOTHE, OHIO.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is James O. Miller?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. You live at 166 Race Street, Chillicothe, Ohio?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Were you employed at Camp Sherman by the Bentley Construction Co.?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. From July 5, 1917, until about November, 1917, is that about right?

Mr. MILLER. Yes—1918.

Mr. McCULLOCH. 1918?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. From July 5, 1917, to November, 1918?

Mr. MILLER. Somewhere along there; yes, sir.

Mr. McCULLOCH. What did you work at?

Mr. MILLER. I drove a team and drove truck a part of the time.

Mr. McCULLOCH. What can you tell the committee as to what you observed in regard to the waste of materials and the having of too many teams and trucks on that work out there?

Mr. MILLER. Well, to the best of my knowledge, with the ordinary work, I think one-third of the teams would have been enough.

Mr. McCULLOCH. How about the number of trucks? Were there too many trucks there?

Mr. MILLER. Well, I think there was.

Mr. McCULLOCH. Tragelies was the superintendent of motor transportation, was he not?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Did you ever hear him say anything about what to do when you did not have any work?

Mr. MILLER. He said to "go chase butterflies."

Mr. McCULLOCH. To chase butterflies?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Well, did you do it?

Mr. MILLER. What else would you have done?

Mr. McCULLOCH. By that you mean that you loafed around; is that right?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. You are not a carpenter; you don't know much about lumber?

Mr. MILLER. No, sir.

Mr. McCULLOCH. Do you know anything about other building materials?

Mr. MILLER. Not much. Of course, I hauled all kinds of stuff about the camp.

Mr. McCULLOCH. Did you haul stuff to the bone pile?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. To the place where it was burned?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee about what kind of materials you hauled there.

Mr. MILLER. Well, there was some of all kinds.

Mr. McCULLOCH. They were good materials?

Mr. MILLER. Some good material.

Mr. McCULLOCH. Give us some idea about it now, just in your own words and in your own way.

Mr. MILLER. Well, I hauled load after load that would be nails and a little paper roofing in it, pieces of rolls that could have been used; and I hauled lumber such as siding and scantling, two-by-fours, and such as that, and finishing lumber that could have been and should have been used.

Mr. McCULLOCH. And what was done with it?

Mr. MILLER. Hauled to the scrap pile.

Mr. McCULLOCH. And burned?

Mr. MILLER. Yes; part of it.

Mr. McCULLOCH. You thought it was good material. You mean part of it was burned?

Mr. MILLER. Yes; later on in the fall, toward finishing up time with Bentley's, they were building some barns and wagon sheds—

Mr. McCULLOCH (interposing). Out of this material?

Mr. MILLER. And they put men on the scrap pile and sorted out a little of it and used part of it.

Mr. McCULLOCH. I wish you would tell the committee briefly and in your own words what your impression was as to the waste of material that was valuable; was it valuable?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. A lot of waste?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. A lot destroyed by fire that was good?

Mr. MILLER. Yes; and run over by trucks.

Mr. McCULLOCH. Now, on the subject of the idling of men, did you know a foreman by the name of Fosnaugh?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee whether you know anything about a whole gang of men hiding in warehouse No. 3 for about two weeks?

Mr. MILLER. They were around the warehouse about that long when they didn't have work enough to keep them busy.

Mr. McCULLOCH. Was that while McGrath was on the job?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Did you ever have Fosnaugh riding to the checking office with you?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Did you ever hear him say anything about having more men than he needed or knew what to do with?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. What did he say?

Mr. MILLER. He said he really had more men than he knew what to do with.

Mr. McCULLOCH. Told you that?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. But he had orders to let no one of them go; did he tell you that?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Did he say he not only had more men than he knew what to do with, but more men were sent to him?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. He was told to put them to work; that he didn't have anything to do?

Mr. MILLER. He didn't have enough for what he did have.

Mr. McCULLOCH. Do you know a man on the job named John Reese?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. I wish you would tell us something about how long you worked and how much you did do?

Mr. MILLER. Well, for the time I was there, I would say that altogether wouldn't be two hours in a day.

Mr. McCULLOCH. And that went along for a period of how long?

Mr. MILLER. Well, I would say at least six weeks.

Mr. McCULLOCH. Were men permitted to keep teams on the pay roll, that is to be paid for teams when the teams were not out of the barn?

Mr. MILLER. Well, I could not say for sure.

Mr. McCULLOCH. You don't know it of your own knowledge?

Mr. MILLER. Nothing only I heard that there was a fellow that had some teams there and he was claiming he got full pay for all his teams but had them in Government barn; but there was some other fellows in town, was in barns right next to him, and they was wondering how he got it for he had teams in the barn more or less every day.

Mr. McCULLOCH. And he was still getting pay?

Mr. MILLER. Still getting pay for it and they had numbers on them.

Mr. McCULLOCH. You don't know that he got paid; you just heard that; is that right?

Mr. MILLER. That is right; and they took the check of these teams this man that had teams there himself in the barn, a man that was employed, I understand, by the Government to look after the teams and that he had been—his cards had been signed and turned in every day.

Mr. McCULLOCH. Is there anything else that you have in mind that might throw some light upon this situation, that you can tell the committee about? Any other instance that you care to relate?

Mr. MILLER. No; I guess not, not that I remember of.

Mr. McCULLOCH. That about covers it.

Mr. MILLER. About covers it.

Mr. McKENZIE. Mr. Doremus, any questions?

Mr. DOREMUS. No.

Mr. McCULLOCH. That is all.

### TESTIMONY OF MR. LEO M. KELLHOFFER.

(Sworn by Mr. McKenzie.)

Mr. McCULLOCH. Give your full name and address.

Mr. KELLHOFFER. Leo. M. Kellhoffer.

Mr. McCULLOCH. Did you work at Camp Sherman?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. KELLHOFFER. Plumber.

Mr. McCULLOCH. How long were you there?

Mr. KELLHOFFER. About four months.

Mr. McCULLOCH. Did you work on the Bentley contract?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee in your own words and as briefly as you can just what the conditions were there as to the plumbers doing a day's work, the idleness among them.

Mr. KELLHOFFER. Well, we didn't do a day's work every day; some days we did a day's work; some days we never.

Mr. McCULLOCH. Was there a great deal of idleness among the plumbers there?

Mr. KELLHOFFER. Well, there were only about 10 of us in Bentley's gang; you see we were not with Gibbons; we were a separate gang, the waterworks gang; we worked any place, only on temporary work while they were installing the water plant, putting in temporary pipe.

Mr. McCULLOCH. Was that temporary pipe under the ground?

Mr. KELLHOFFER. Well, a good deal of it was; yes.

Mr. McCULLOCH. Could it have been taken up to advantage?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. And it was not taken up?

Mr. KELLHOFFER. No, sir.

Mr. McCULLOCH. Is it pretty expensive stuff?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. You think it should have been taken up?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. But it was not?

Mr. KELLHOFFER. No, sir.

Mr. McCULLOCH. What other waste was there in connection with the plumbing business?

Mr. KELLHOFFER. Well, there was a good many fittings destroyed, let lay in the mud and piled; piled them up when they got through with the job and left them lay there; never picked them up.

Mr. McCULLOCH. No effort made to save them?

Mr. KELLHOFFER. No, sir.

Mr. McCULLOCH. Absolutely extravagance; is that right?

Mr. KELLHOFFER. And uncalled for.

Mr. McCULLOCH. Now anything else in the way of waste?

Mr. KELLHOFFER. Well, a good deal of waste in lumber; they always burned the lumber down at the waterworks and every day or two you would see a big pile of lumber burned.

Mr. McCULLOCH. What kind of lumber?

Mr. KELLHOFFER. All kinds of lumber.

Mr. McCULLOCH. Good lumber?

Mr. KELLHOFFER. Good lumber.

Mr. McCULLOCH. Do you think that should not have been burned?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. Do you think it was extravagance?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. And waste that was uncalled for?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. How about nails and other kinds of materials?

Mr. KELLHOFFER. Well, from what I could see there were a good many nails wasted.

Mr. McCULLOCH. Looked to you as though there was a very great waste?

Mr. KELLHOFFER. Yes, sir; a good bit of tar-paper roofing was wasted.

Mr. McCULLOCH. Do you know anything about men checking in in the morning, and checking out at night, and then leaving?

Mr. KELLHOFFER. Sometimes come in the morning, check in, go down town and stay all day and check back out that night.

Mr. McCULLOCH. Nothing said about that?

Mr. KELLHOFFER. No, sir.

Mr. McCULLOCH. Drew their pay?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. Full time?

Mr. KELLHOFFER. Yes, sir; sometimes more than full.

Mr. McCULLOCH. Do you know of them drawing more than full time?

Mr. KELLHOFFER. Several times; yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. KELLHOFFER. Yes, sir; their pay check would come over-drawn; that is all was said about it; just keep, I suppose, and never turn it in.

Mr. McCULLOCH. I have a memorandum here that one evening you saw just about quitting time somebody set fire to a bunch of lumber that would cover as much ground as a city square, and the next morning it had all been burned. I wish you would tell the committee about it.

Mr. KELLHOFFER. Well, it kept piling up and piling up, and after two or three days they had one pile they would burn, and then again in two or three more days they would pile up and burn it up, and then they left them go there for about a month and they burned the whole thing. Oh, it was a great big pile; I suppose it would cover a good-sized square; that was down near the water works.

Mr. McCULLOCH. Was it good lumber?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. Do you think it was willful waste?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. The destruction of good property that should not have been destroyed?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. Now then, from your observations around there, what would you say—will you give us an opinion as to what you think that camp ought to have been built for in comparison to what it was built for, just your opinion.

Mr. KELLHOFFER. Just from what I heard it could have been built for half; I haven't any idea; I don't know anything about that.

Mr. McCULLOCH. That is just your opinion about it?

Mr. KELLHOFFER. Yes, that is from what I have heard.

Mr. McCULLOCH. Was that the general idea of men around there?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. Who had some mechanical skill?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. What do you know about the building of facilities that were not used by any—do you know anything about that?

Mr. KELLHOFFER. Well, we were about three or four days running a shower up in Capt.—I believe it was Capt. Rhoades'—Major now—front yard that was never used.

Mr. McCULLOCH. How do you know it was never used?

Mr. KELLHOFFER. Well, from what I heard from people working around there it was never used; I don't know myself; I could not swear to it, but it was run up in his front lawn of his residence.

Mr. McCULLOCH. Did you put it in?

Mr. KELLHOFFER. Helped put it in; yes, sir.

Mr. McCULLOCH. At Government expense?

Mr. KELLHOFFER. Yes, sir.

Mr. McCULLOCH. Are there any other incidents that you could think of that might serve to enlighten the committee, of waste and idleness, the destruction of property, in addition to what you have already detailed?

Mr. KELLHOFFER. No, sir.

Mr. McCULLOCH. Did you ever see anything like it in your life?

Mr. KELLHOFFER. No, sir.

Mr. McCULLOCH. And you regarded it as willful waste; is that right?

Mr. KELLHOFFER. Yes, sir.

Mr. McKENZIE. Are you through?

Mr. McCULLOCH. Yes, sir.

Mr. McKENZIE. Are you a union plumber?

Mr. KELLHOFFER. Yes, sir.

Mr. McKENZIE. Have you been present at these hearings?

Mr. KELLHOFFER. Yesterday.

Mr. WESSEN. He just came to-day, noon to-day.

Mr. McKENZIE. Oh, he just came in. Well, there has been a good deal of testimony given here by different witnesses—

Mr. WESSON. Just for your information he was not with the plumbing gang.

Mr. KELLHOFFER. I was with the Bentley waterworks gang; there were just on an average of 8 to 10 all the time.

Mr. McKENZIE. Well, you are a plumber?

Mr. KELLHOFFER. Yes, sir.

Mr. McKENZIE. You noticed the plumbers working down there?

Mr. KELLHOFFER. Yes, sir.

Mr. McKENZIE. You noticed the other workmen?

Mr. KELLHOFFER. Yes, sir.

Mr. McKENZIE. Would you say that the plumbers were the greatest loafers on that job or did they all loaf about the same?

Mr. KELLHOFFER. Just about the same; they loafed their part. I admit that they loafed their part, but no more.

Mr. McKENZIE. That is all.

Mr. DOREMUS. Did you quit on August 30, when all the plumbers quit?

Mr. KELLHOFFER. No, sir; you see I was just—there wasn't any union in our town at that time you know and my brother-in-law was working for Bentley at the time and he got me the job; that was about the third day of August I believe, but I didn't get any union card to work for Bentley; there wasn't any union in our town at that time and I was just out on my time at that time.

Mr. DOREMUS. And when did you quit?

Mr. KELLHOFFER. Well, I quit, I judge it was right around the middle of December, the first to the middle of December somewhere.

Mr. DOREMUS. You say that you saw a pile of good lumber that would cover an ordinary city block burned up one time?

Mr. KELLHOFFER. Yes, sir; it looked that big.

Mr. DOREMUS. How do you know it was good lumber?

Mr. KELLHOFFER. Well, I was there—I worked right around it every day right at the waterworks; it was just a piece up from the waterworks; I went by there every day.

Mr. DOREMUS. You say you saw somebody set fire to it?

Mr. KELLHOFFER. Yes, sir; I seen it that evening. The waterworks was down in a kind of a hollow and as we came up over the hill I seen that burning that night. The next morning started over there and seen—the next morning it was all burned up.

Mr. DOREMUS. Is this what they call the dump?

Mr. KELLHOFFER. That was one of the dumps. They had several dumps; their waterworks was right along the river.

Mr. DOREMUS. You want the committee to understand that this pile which you gave the size of an ordinary city block was made up of good lumber?

Mr. KELLHOFFER. It was, some of it good lumber.

Mr. DOREMUS. It was what?

Mr. KELLHOFFER. It was some of it good lumber; I would not say all.

#### TESTIMONY OF MR. HARRY CARROLL.

(The witness was sworn by Mr. McKenzie.)

Mr. McKENZIE. Give your name to the stenographer.

Mr. CARROLL. Harry Carroll.

Mr. McKENZIE. Home?

Mr. CARROLL. Chillicothe.

Mr. McKENZIE. What is your business?

Mr. CARROLL. Plumber.

Mr. McKENZIE. What?

Mr. CARROLL. Plumber.

Mr. McKENZIE. Oh, yes. Were you employed at Camp Sherman?

Mr. CARROLL. Yes, sir.

Mr. McKENZIE. How long were you there?

Mr. CARROLL. I was there about eight or nine months.

Mr. McKENZIE. When did you begin?

Mr. CARROLL. I began in April, I believe, in 1918.

Mr. McKENZIE. What was the character of your work that you were doing?

Mr. CARROLL. Character?

Mr. McKENZIE. Yes.

Mr. CARROLL. Why, just plumbing work, putting in shower baths and everything that went with plumbing.

Mr. McKENZIE. Well, how about the number of plumbers you had employed there; did you have more than were necessary?

Mr. CARROLL. Why, some jobs they had 8 and 10, and some they had 4 on, just according to how they was going along.

Mr. McKENZIE. Well were you a foreman?

Mr. CARROLL. Just a journeyman plumber.

Mr. McKENZIE. Well, what would you say about the gang that you were connected up with, whether you had more men on it than was necessary?

Mr. CARROLL. I say that they had too many men on there; they had more than was necessary. In one case, why one man and a helper would have been sufficient to the job when they have had seven and eight on.

Mr. McKENZIE. It would have accomplished as much work?

Mr. CARROLL. Yes, sir.

Mr. McKENZIE. Well, what have you got to say about plumbers killing time down there on the job?

Mr. CARROLL. Well, the whole bunch killed time as far as that goes.

Mr. McKENZIE. And you admit that the plumbers did?

Mr. CARROLL. Yes, sir.

Mr. McKENZIE. Well, were you one of them that did that?

Mr. CARROLL. Yes, sir.

Mr. McKENZIE. You drew your full pay right along?

Mr. CARROLL. Yes, sir.

Mr. McKENZIE. Did anyone ever suggest to you that you ought to do a day's work?

Mr. CARROLL. Me and a fellow from Lancaster, William Hatters, we worked together, partners, and when I went there I was in the habit of doing a day's work always did at the shops outside; when you would go outside you would go ahead and put in your day, and so we started that there; we would get a job just about done and they would take us off and move us over on another building, and we would start a new one, and they would put a couple of old fellows that was next to the game, had been on the cantonment for maybe a year; they would hold that job for a couple of weeks.



Mr. McKENZIE. What would you say in comparison as to the amount of work down at Camp Sherman cantonment to a regular day's work for a plumber working outside?

Mr. CARROLL. Well, a fellow would do about as much in a week there as he would do in one day if he was working for a contractor.

Mr. McKENZIE. Do about one-sixth?

Mr. CARROLL. Yes, sir.

Mr. McKENZIE. Of what he would do if he was working for a contractor and at the regular union scale of work.

Mr. CARROLL. Yes, sir.

Mr. McKENZIE. Do you know anything about plumbers being on the job there for a considerable length of time drawing pay and not doing anything at all?

Mr. CARROLL. I know one man that was there for probably a month or so that came there—

Mr. McKENZIE. What do you mean by that? Was he there for a month and a half or probably what?

Mr. CARROLL. He was there for about a month. I don't know the number of days; a fellow by the name of Nieman; he told us when he come he didn't come to work and he wasn't going to work, and he didn't work.

Mr. McKENZIE. Do you know anything about the waste that went on down there?

Mr. CARROLL. Oh, there wasn't much waste; we didn't have much material; they held us up on material; claimed we could not get material.

Mr. McKENZIE. And so far as the plumbing and all that was concerned, the waste was not so great?

Mr. CARROLL. No; I didn't notice anything so great.

Mr. McKENZIE. What would you say the waste in connection with the other construction there was so far as your observation goes?

Mr. CARROLL. Well, I didn't pay much attention to it. I seen a lot of lumber there run over with trucks and things hauled out on the dump.

Mr. McKENZIE. Now, what you have testified to is of your own knowledge?

Mr. CARROLL. Yes, sir; that is what I know.

Mr. McKENZIE. And not from hearsay? I think that is all I want to ask him.

Mr. DOREMUS. Are you a union plumber?

Mr. CARROLL. No, sir.

Mr. DOREMUS. Did you quit on August 30, when the rest of them quit?

Mr. CARROLL. No.

Mr. DOREMUS. What?

Mr. CARROLL. August 30—this last August; August, a year ago.

Mr. DOREMUS. When did you go to work on the job?

Mr. CARROLL. I went there in April, 1918.

Mr. DOREMUS. Oh, April, 1918.

Mr. CARROLL. Yes.

Mr. DOREMUS. I see.

Mr. CARROLL. There was no strike pulled while I was there.

Mr. DOREMUS. I see; that is all.

**TESTIMONY OF MR. PHILIP H. SMITH, OF COLUMBUS, OHIO.**

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. I wish you would state your full name, and your address, so that the stenographer can get it.

Mr. SMITH. Philip H. Smith, 1357 East Long Street.

Mr. McCULLOCH. What business are you engaged in?

Mr. SMITH. I have been following the automobile business for about 16 years.

Mr. McCULLOCH. In what line; in what way did you follow it?

Mr. SMITH. Well, I have been foreman of repair shops, sales manager, and service manager and salesman.

Mr. McCULLOCH. Are you in that business now?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. You know of the K. & S., or did you know of the K. & S. Truck Co.?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. Who were the officers of that company; who was running that company; do you know?

Mr. SMITH. I thought it was Roy Kissenger and John Joyce and Schullman.

Mr. McCULLOCH. Now, what made you say you thought that; what made you think that?

Mr. SMITH. Well, the three were always together at Camp Sherman; made several trips down there to my knowledge.

Mr. McCULLOCH. That is, you went down with them?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. State whether or not you had any arrangement with any of the officers of that company about locating trucks?

Mr. SMITH. I did with Roy Kissenger.

Mr. McCULLOCH. Tell us what the arrangement was.

Mr. SMITH. For each and every truck that I got him he was to pay me a bonus, and he was to sublet them to somebody at Camp Sherman; the Government, I supposed.

Mr. McCULLOCH. Did you get him any trucks?

Mr. SMITH. I got him one personally and told him of several others that he went and got.

Mr. McCULLOCH. Were you paid your bonus?

Mr. SMITH. That is the reason I didn't get him any more than the one.

Mr. McCULLOCH. He didn't pay you?

Mr. SMITH. He didn't pay.

Mr. McCULLOCH. Do you know a man by the name of Tragelis?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. At the time you knew him at Camp Sherman what was his business; what did he do?

Mr. SMITH. Well, he had something to do with transportation; I thought he was superintendent of transportation.

Mr. McCULLOCH. For the Bentley Construction Co.?

Mr. SMITH. That is as I understood it, and then I heard that he was working direct for the Government, looking after the Government's interests.

Mr. McCULLOCH. Did you meet him a number of times?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. Did you have conversations with him in regard to trucks, putting them on?

Mr. SMITH. No, sir.

Mr. McCULLOCH. Did you know of your own knowledge that he was hiring for the Government, or for Bentley, or for somebody?

Mr. SMITH. I knew that he was hiring the Kissinger & Schullman trucks.

Mr. McCULLOCH. Do you know how many trucks Kissinger & Schullman furnished him?

Mr. SMITH. At one time I understood that Kissinger & Schullman had about 47 trucks down there.

Mr. McCULLOCH. Were you familiar with the tonnage of the trucks of this company?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. What was their tonnage?

Mr. SMITH. There was very few trucks on that camp that was over 5 tons, and Kissinger & Schullman didn't have any over 5 tons.

Mr. McCULLOCH. They had no trucks over 5 tons?

Mr. SMITH. No trucks over 5 tons.

Mr. McCULLOCH. Well, did they have any that were 5 tons?

Mr. SMITH. They were rated 5 tons, and they were 5-ton trucks, but nothing over that.

Mr. McCULLOCH. By rate, what do you mean; rated by whom?

Mr. SMITH. By the manufacturer.

Mr. McCULLOCH. How were they rated by the Government?

Mr. SMITH. Well, I understood they were rated at seven.

Mr. McCULLOCH. But you are able to say to this committee positively and of your own knowledge that they were not 7-ton trucks, but that they were 5-ton trucks?

Mr. SMITH. They were 5-ton trucks; they bought them of the corporation that I was working for at the time.

Mr. McCULLOCH. So that if they were rated as 7-ton trucks, and paid for as 7-ton trucks, they were rated at least 2 tons higher than they actually were?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. Did you at any time have any conversation with Roy Kissenger about going with him to Chillicothe to take a car down there?

Mr. SMITH. Yes; I was down there one day, and he told me if I cared to go down the next day he would take me down, and we went down in a brand new Kissel Six roadster.

Mr. McCULLOCH. Either from conversations that you had with Roy Kissenger on the trip or from his manner, did you gather that this car was being taken to Chillicothe for any particular person?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. Before you got there?

Mr. SMITH. I gathered from his conversation and his manner and actions that this car was to be a present to Tragelis.

Mr. McCULLOCH. You went down with him in the car; it was a brand-new roadster, Kissel-Kar, and will you tell the committee just what occurred at Chillicothe?

Mr. SMITH. Well, when we got to the camp and looked around there for Tragelis, he wasn't there and I—can't say what you think, can you—anyway Kissenger stayed at the camp. Whether Joyce and Schullman were there or not, I do not know, but Kissenger stayed at the camp and I took this car and went on through to Chillicothe.

Mr. McCULLOCH. Did Kissenger tell you to do that?

Mr. SMITH. Kissenger told me to do that.

Mr. McCULLOCH. What did he say exactly?

Mr. SMITH. He told me to take this car to Chillicothe and give it to Capt. Tragelis, so I went through to Chillicothe.

Mr. McCULLOCH. Was there anything more in the conversation about it?

Mr. SMITH. No, that was all.

Mr. McCULLOCH. Said for you to take it over and give it to him?

Mr. SMITH. Take it to Chillicothe and hunt up Capt. Tragelis, and give him this car.

Mr. McCULLOCH. Now, what did you do with it?

Mr. SMITH. I went to the hotel there in Chillicothe, the main hotel, the Warner I think it is, and Tragelis was at the bar, and he had been drinking; I told him that his car was out in front, and he came out and thanked me very kindly for bringing it down, and also told me to thank the gentlemen that had sent it down.

Mr. McCULLOCH. I wish you would just tell the committee just as clearly as you can remember it just what you said to Tragelis when you first saw him, what he said to you, and what you did; what you said to him at the bar, what he said to you, and the entire conversation until you left him?

Mr. SMITH. That has been about two years ago, or three—

Mr. McCULLOCH. As near as you can remember it, we want the conversation.

Mr. SMITH. Well, all I can give you of this conversation is the way he acted when he came out and seen the machine. He is English, and he bowed with both hands to his side, and thanked me very kindly and told me to thank these gentlemen, but as far as to his conversation, I couldn't give it to you word for word.

Mr. McCULLOCH. Did you tell him that you had the car out there?

Mr. SMITH. I told him the car was out there, and he came out and then he turned this car over to what I supposed was going to be the chauffeur; it was a man in uniform.

Mr. McCULLOCH. What did he say to him?

Mr. SMITH. And he says "this will be our car and we can make good use of it," so I took it for granted that it was a complete present.

Mr. McCULLOCH. The circumstances surrounding your going there, or what occurred when you were with Roy Kissenger, and what occurred when you met Tragelis and gave him the car, led you to believe—

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. That that car was a present to Tragelis, given to him by—

Mr. SMITH. Kissenger and Schullman.

Mr. McCULLOCH. By Kissenger.

Mr. SMITH. By the Kissenger, Schullman Co.

Mr. McCULLOCH. Which is the K. & S. Co.?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. Did you have reason to believe at any time that the K. & S. Truck Co. gave Tragelis money or any other thing of value at any time?

Mr. SMITH. Well, they were evidently paying somebody for their trouble down there, but I——

Mr. McCULLOCH. Now, how did you arrive at that conclusion?

Mr. SMITH. Well, they were on the job when nobody else was there, and they were on the job when trucks were not needed.

Mr. McCULLOCH. Were they on the job when nobody else could get on the job?

Mr. SMITH. Yes; there was trouble of that kind, too, down there; they could get trucks in, if they had three or four trucks just send them to Chillicothe, and other people couldn't do that unless you worked through Kissenger and Schullman.

Mr. McCULLOCH. And were there any circumstances or any conversations that would lead you to believe that somebody was getting a commission on the K. & S. trucks, that were used at Camp Sherman, other than what you have told us?

Mr. SMITH. Yes, there is something that would lead me to believe that Tragelis was getting his.

Mr. DOREMUS. What was that?

Mr. McCULLOCH. That Tragelis was getting his?

Mr. SMITH. Was getting his commission; that is that shortage slip I told you about.

Mr. McCULLOCH. Yes, tell us about that.

Mr. SMITH. Now, there was a man down there had two—his trucks were really 7-ton trucks, but he wasn't working through the K. & S. Co., and I gathered from him that the K. & S. was trying to put him off of the job, unless he would come over and work through their combination, but he stuck anyhow for some reason, and one Monday morning after he had received full payment for the week before, he said: "I will show you another little thing we work down here," and he made out what he called a shortage slip. Now, he only had two trucks, but he makes out a shortage slip for \$182. This was about 6.30 in the morning. They was all filling these trucks up with gasoline and oil, and he hands this to Capt. Tragelis.

Mr. McCULLOCH. You saw him do that?

Mr. SMITH. I saw him do that.

Mr. McCULLOCH. He showed you the slip?

Mr. SMITH. He showed me the slip.

Mr. McCULLOCH. You saw him hand that slip to Tragelis?

Mr. SMITH. And handed it to Capt. Tragelis, and Capt. Tragelis signed it, or put an O. K. on it, and then he got his money.

Mr. McCULLOCH. Did you see him get the money?

Mr. SMITH. Well, he went over there to a frame building and came out counting this—these bills.

Mr. McCULLOCH. You saw him go there after that had been signed, and with that slip?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. And you saw him come away with money in his hand?

Mr. SMITH. Yes, sir. And that would lead me to believe that Capt. Tragelis was getting a share of that, something or other, back.

Mr. McCULLOCH. Was that the general impression?

Mr. SMITH. That was the general impression all over that camp.

Mr. McCULLOCH. That Tragelis was getting a rake-off?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. On the trucks?

Mr. SMITH. Yes, sir.

Mr. McCULLOCH. And that he was getting a rake-off through—

Mr. SMITH. The K. & S. Truck Co.

Mr. McCULLOCH. The K. & S. Truck Co.?

Mr. SMITH. Yes, sir; the K. & S. Co. offered me a very attractive job down there, and I took it up with an attorney here in town, a personal friend of mine, and he advised me to stay away from it; he says "They will be in court some day."

Mr. McCULLOCH. Well, now, an attractive job; what kind of a job did they offer you?

Mr. SMITH. One hundred dollars a week.

Mr. McCULLOCH. To do what?

Mr. SMITH. Just riding around the camp and looking after their trucks.

Mr. McCULLOCH. And you kept away from it?

Mr. SMITH. And I stayed away from it; I didn't know how long it would last.

Mr. McCULLOCH. In your conversation with the officer of the K. & S. Truck Co. was it indicated to you in any way that there was anything about the job that they were offering to you that would not be on the square?

Mr. SMITH. Well, the Government—I think the Government would have paid me; I would have been listed as a chauffeur, see, and that would have paid me about \$50, and probably with their boosting and overtime and, you see, double time for Sundays, and that kind of work, the Government, I suppose, would have paid it.

Mr. McCULLOCH. Did they tell you what they wanted you to do there?

Mr. SMITH. They wanted me to keep their trucks in operation as the head mechanic—sort of a foreman.

Mr. McCULLOCH. Were the circumstances surrounding the offer and the circumstances that were brought to your attention about the work such as to make you suspicious about it; you did go to a lawyer?

Mr. SMITH. Evidently it didn't look very good, then.

Mr. McCULLOCH. Tell us about that frankly; you did go to a lawyer?

Mr. SMITH. Why, just looked like a bunch of crooks, the whole outfit did down there, Tragelis and this trucking company. When they was building that water works up on the hill, you remember that; they would send trucks out there and haul these men in; they would get their supper and haul them back out there and these men would work until midnight. These trucks was drawing double time all this time; the chauffeurs was drawing double time, until

these men got done working at midnight, to haul them back to Chillicothe. Well, double time on a 7-ton truck is a pretty good——

Mr. McCULLOCH. Double time on a 7-ton truck is \$50 a day, isn't it?

Mr. SMITH. It is more than that, \$35 a day, about \$70.

Mr. McCULLOCH. Yes, it would be \$70 a day.

Mr. McKENZIE. Who offered you that job?

Mr. SMITH. Roy Kissinger.

Mr. McCULLOCH. Well, how could Roy Kissinger offer you a Government job; he was not working for the Government.

Mr. SMITH. Well, now, he—I didn't say it was a Government job, but I figured it would be just the same as these truck drivers.

Mr. McCULLOCH. How did you come to that conclusion?

Mr. SMITH. The truck drivers were being paid by the Government.

Mr. McCULLOCH. Did he tell you that that is the way it would be?

Mr. SMITH. No.

Mr. McCULLOCH. How did you come to that conclusion?

Mr. SMITH. Well, I knew a fellow that drove trucks down there and they were paid by the Government.

Mr. McCULLOCH. He told you you were going to be a Government truck driver?

Mr. SMITH. No; he didn't tell me that.

Mr. McCULLOCH. You just surmised that?

Mr. SMITH. I gathered from his conversation that the K. & S. Trucking Co. wasn't down there to lose anything; they were down there to get all they could get, and if they were going to pay me \$100 a week the Government was going to pay it some way.

Mr. McCULLOCH. It didn't look good to you?

Mr. SMITH. No, it didn't; or I would never have asked this attorney about it, and he predicted three years ago, what is happening right now.

Mr. McCULLOCH. Now, is there any other conversation or circumstances that you can bring to the attention of this committee that will throw any light upon that transaction or upon any of the transactions of the K. & S. Truck Co. that might be of interest to the committee?

Mr. SMITH. Well, they bought two trucks from the W. W. Williams Co., and they came in several days later to buy two more and the W. W. Williams Co. wouldn't leave them have them for some reason; they had them, but they didn't let them have them.

Mr. McCULLOCH. Were you working for the W. W. Williams Co.?

Mr. SMITH. Yes, sir; they stopped them.

Mr. McCULLOCH. Who was it that stopped them?

Mr. SMITH. W. W. Williams, himself.

Mr. McCULLOCH. Wasn't any doubt about them having the money, was there?

Mr. SMITH. I think that is where the trouble was; they were afraid they wouldn't get their money.

Mr. McCULLOCH. Were those trucks going to be purchased by the K. & S. Truck Co. as a corporation?

Mr. SMITH. Yes, sir; they would have let them have them if John Joyce would indorse the notes.

Mr. McCULLOCH. He wouldn't do it?

Mr. SMITH. He wouldn't do it.

Mr. McCULLOCH. Although he was secretary and treasurer of the K. & S. Truck Co.?

Mr. SMITH. Yes; but he wouldn't indorse their note.

Mr. McCULLOCH. Did you ever have any conversation with John Joyce relating to truck business?

Mr. SMITH. No, sir.

Mr. McCULLOCH. Or the contracts at Camp Sherman for trucks?

Mr. SMITH. He was in that office every time I went around there though.

Mr. McCULLOCH. That is, you mean, Tragelis's office?

Mr. SMITH. Yes, sir; at Camp Sherman.

Mr. McCULLOCH. Were you there frequently?

Mr. SMITH. Well, I would say I was there on an average of 3 days a week for about 6 or 8 weeks.

Mr. McCULLOCH. And during those times that you were there you saw John Joyce there with Tragelis, in his office?

Mr. SMITH. He was in there pretty much of the time, in that frame building; yes, sir.

Mr. McCULLOCH. What were their relations as to being friendly, or otherwise?

Mr. SMITH. I do not know. Schullman was there quite often; Schullman and Kissinger and John Joyce together down there in a 6-cylinder Kissel car that belonged to Schullman, and spent the day.

Mr. McCULLOCH. Do you know anything about the payment of the hire for these trucks, who handled the money, who got the money?

Mr. SMITH. No, sir.

Mr. McKENZIE. Do you know what ever became of that car, the Kissel car?

Mr. SMITH. No, I don't; you see I was in the Army myself; it was a very short time after this camp started down there that I stopped going down there.

Mr. McKENZIE. Would you have any objection to giving us the name of your lawyer?

Mr. SMITH. This man I inquired of!

Mr. McKENZIE. Yes.

Mr. SMITH. Horace Kerr.

Mr. McKENZIE. That is all I wanted to know. Mr. Doremus, do you have any questions? That is all.

**TESTIMONY OF MR. BEN M. CLARK, OF VINE STREET,  
CHILLICOTHE, OHIO.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Ben Clark—Ben M. Clark?

Mr. CLARK. Correct.

Mr. McCULLOCH. You live on Vine Street, in Chillicothe, Ohio?

Mr. CLARK. I did.

Mr. McCULLOCH. Living there now?

Mr. CLARK. Yes, sir.

Mr. McCULLOCH. Were you employed by the Bentley Construction Co. as a carpenter on Camp Sherman?



Mr. CLARK. I was employed with the Bentley Co. as a carpenter and painter and by McGrath Co. as a timekeeper.

Mr. McCULLOCH. By McGrath Co. as a timekeeper?

Mr. CLARK. As the chief night timekeeper.

Mr. McCULLOCH. What?

Mr. CLARK. As the chief night timekeeper.

Mr. McCULLOCH. When you were employed by the Bentley Co. as a carpenter, had you had any experience as a carpenter?

Mr. CLARK. No, sir; only what I would do around home.

Mr. McCULLOCH. Were you asked whether or not you were a carpenter—had any experience as a carpenter—when you were employed?

Mr. CLARK. No, sir; I was not.

Mr. McCULLOCH. What did you say to them?

Mr. CLARK. I just asked them if they needed carpenters; they said "Yes; bring all you can," and so I started.

Mr. McCULLOCH. And you went to work then as a carpenter?

Mr. CLARK. I did.

Mr. McCULLOCH. Had you had any conversation before you got your job as a carpenter on Camp Sherman with anybody connected with the employment office at Chillicothe?

Mr. CLARK. I did.

Mr. McCULLOCH. Whom did you have a talk with?

Mr. CLARK. Forest Secrest, who was the manager of the employment bureau.

Mr. McCULLOCH. Who is Forest Secrest; what was his business when he was in private life?

Mr. CLARK. At that time he was connected with the Chillicothe Hardware Co.; he severed his connection with them and is now with his own company at Circleville.

Mr. McCULLOCH. Hardware company?

Mr. CLARK. Yes, sir.

Mr. McCULLOCH. Now, when you had this conversation with him, what did he say to you?

Mr. CLARK. I first applied to him for a position as timekeeper; he said they had all, a sufficient number, that they didn't need any more, and then I asked him if they could use carpenters. He said, no, not now; we don't need any. So I turned around to go out, and quite a few men were in the city building at the time; behind me was a man I happened to know; of course, I knew he was a carpenter. He didn't wait for this man to ask him if he wanted a position as carpenter, but he called him and asked him if he wanted to go to work as a carpenter, and he said, yes, so he said: "Sign up."

Mr. McCULLOCH. He had just told you he didn't want any carpenters?

Mr. CLARK. He had just told me he didn't want any carpenters, but I went out on the camp site the next morning and waited for the man who was then the general superintendent of construction for Bentley, and he is the man who told me they could use all the carpenters that they could get. This was on the 28th day of June, 1917.

Mr. McCULLOCH. And you got the job?

MR. CLARK. I did; worked there until the 12th of September as a carpenter, and about three days later I started in as a painter and worked until the 1st day of December.

MR. McCULLOCH. Now, you went to work for McGrath when?

MR. CLARK. I didn't go to work for McGrath until some time in October, 1918.

MR. McCULLOCH. How long did you work for them?

MR. CLARK. I worked for them until the 15th day of January, when they were—

MR. McCULLOCH. What year?

MR. CLARK. Of 1919; then we were supposed to quit; in fact, they didn't need an office force to keep their time at night; they were on the job a while longer, though.

MR. McCULLOCH. Now, let us work back on this proposition. When you were working for McGrath as a timekeeper, what were your duties; you were chief timekeeper, you say?

MR. CLARK. Well, of course the chief timekeeper worked day, but it was my duty to see that the cards were collected of an evening, along about quarter of 7 or 7 o'clock. To begin with, McGrath was to furnish us transportation. He didn't furnish it all; they still owe me money that I can't get from them; and it was my duty to collect those time cards from the lower booth and the upper booth. There were three of us on the night force. We were then to take them to their office and there we were to post them, and when they were posted, why, it was up to me then to make out two or three different kinds of reports that they wanted for their work the next day.

MR. McCULLOCH. So your work was largely night work?

MR. CLARK. All night work with McGrath.

MR. McCULLOCH. In collecting these cards whom did you collect them from?

MR. CLARK. I might say that the first four days I worked for McGrath I was a time checker through the field; the first—oh, maybe, the first five days.

MR. McCULLOCH. Now, I want to get the distinction of the time proposition; a time checker, what did you do as a time checker?

MR. CLARK. Why, a fellow at Chillicothe by the name of Charles England and I were supposed to carry a punch with us and punch each workman's card twice a day, and see that he was on the job, but that proved to be a failure.

MR. McCULLOCH. What did you do?

MR. CLARK. Why, they finally put three men on it, and they couldn't do it; we were supposed not to post any cards unless they were checked twice a day, but there got to be so many cards come into the timekeepers at night without the two checks on them that they finally had to give it up.

MR. McCULLOCH. Well, as a matter of fact, the keeping of time was largely up to the foreman on the work, wasn't it?

MR. CLARK. It was; it must be.

MR. McCULLOCH. His word would go?

MR. CLARK. All the time; go all the time, either under Bentley or McGrath.

MR. McCULLOCH. So, while they might have a beautiful theory about checking time, as a practical proposition it turned out to be a checking of very little value?

Mr. CLARK. A failure the way they tried to do it.

Mr. McCULLOCH. And the foreman's word would go?

Mr. CLARK. All the time; if a man would claim he was short, if the foreman would O. K. him as working a certain number of days, all he needed to do was to have that foreman's O. K., go down to the paymaster's office and get his money for the number of days he was supposed to not have been paid for, and when Bentley was there I have stood down at the paymaster's office two days at a time, getting pay for a carpenter, because I happened to be a day or two days short.

Mr. McCULLOCH. And you got paid while waiting around for your money?

Mr. CLARK. I think I have seen as high as 2,000 men around at the time.

Mr. McCULLOCH. Waiting around?

Mr. CLARK. Some stand there a day, a day and a half, and some two days.

Mr. McCULLOCH. Waiting for their pay?

Mr. CLARK. Yes, sir.

Mr. McCULLOCH. And they were being paid while they were loafing around waiting?

Mr. CLARK. They were being paid for mistakes, inefficiency, on account of the mistakes and inefficiency on the part of the Bentley Construction Co. I worked for a concern in Pittsburgh, and with a good head the errors on 10,000 people didn't amount to anything.

Mr. McCULLOCH. You say there was as many as 2,000 standing in line at that time waiting?

Mr. CLARK. Sure, I have seen them; what were not standing there by the booth would be out on High Street.

Mr. McCULLOCH. But all loafing, waiting?

Mr. CLARK. All waiting for their time.

Mr. McCULLOCH. As briefly as we can get it, I wish you would state in a general way what you observed around that camp as to waste of materials, both under Bentley and under McGrath?

Mr. CLARK. Well, when I worked for Bentley—whenever I work any place I like to see everything—oftentimes I would take a stroll around over the camp. I don't know whether I was supposed to or not; nobody told me not to and nobody told me to do it, and for the time being no one ever said anything to me about me not being on the job I had to do. With a saw in your hand and carrying a hammer you can walk any place you wanted to and nobody ever asked you where you belonged. I have been from section M clear to section Z; I have seen it all.

Mr. McCULLOCH. Now, tell us about the waste.

Mr. CLARK. Well, the waste was enormous in many ways, not only wasting material but waste of time; what I mean by wasting time were men who were apparently being paid for their work who were not working.

Mr. McCULLOCH. Loafing on the job?

Mr. CLARK. Loafing on the job. You could go over that camp any time and see crowds of men collected here and there in places where you knew they shouldn't be. Well, when they first started construction there the wheat was still in those fields; why, you could go out in those wheat fields any time and see a poker game and a crap

game—I don't mean one but several of them. In the cornfields—it wasn't any trouble to go out in the cornfields and see the same thing. After the camp was in construction and the buildings went up, why, any time you wanted a poker game or crap game all you had to do was just probably look in three or four rooms and you would find one in one of the three or four anyway, and during my work at the base hospital group certain wards there seemed to be used for no other purpose than for shooting craps; no other in fact.

Mr. McCULLOCH. Give us a description of a crap game there.

Mr. CLARK. Oh, I could give you a description of most of them. Every day more or less the same thing from the time they got there in the morning until the time they quit; they wouldn't even stop to eat dinner; didn't have time; the game was too big. I have seen those wards—they are about as far as from here to the farther corner of this room—longer than that—I should judge they are about 18 feet wide, maybe wider than that, but I have seen a ring that would be clear the whole width of the room, maybe 30 or 40 men; I have seen two games in one ward.

Mr. McCULLOCH. Workmen there?

Mr. CLARK. Sure.

Mr. McCULLOCH. Mechanics?

Mr. CLARK. Sure; supposed to be plumbers, some supposed to be carpenters; others were cooks and fellows from the base hospital dining hall, both black and white—the color didn't make any difference.

Mr. McCULLOCH. Shooting craps on Government time?

Mr. CLARK. Shooting craps on Government time; that is what they came there for, they told me.

Mr. McCULLOCH. Did you have any conversation with any of these crap shooters?

Mr. CLARK. I did, several of them, one especially.

Mr. McCULLOCH. Tell us about it.

Mr. CLARK. Well, he seemed to feel pretty good that day, I judge because he just knocked down about three or four hundred dollars. He showed that to me, had it in his hand.

Mr. McCULLOCH. What did he say about that money?

Mr. CLARK. I said, "You fellows have a pretty good time, don't you?" He said, "Sure." I said, "Don't you ever work?" He said, "No; we did not come down here to work"; he said, "The understanding when we came here was that we were not to work"; he said, "We came here to crap shoot." He said there were 50 of us came at one time.

Mr. McCULLOCH. Where from?

Mr. CLARK. Chicago. He said there is some of the best crap shooters in the country right here in Camp Sherman now. That is all they are here for.

Mr. McCULLOCH. But they were doing all of this on Government time?

Mr. CLARK. On Government time and on Government property.

Mr. McCULLOCH. And you saw all of this. You saw that?

Mr. CLARK. Saw it all; saw it every day that I was working at the hospital; there wasn't a day that went by but what I saw it.

Mr. McCULLOCH. Was this crap shooting and gambling proposition worse among the plumbers than any other class?

Mr. CLARK. Well, of course, that bunch of 50 plumbers, as I had it from one, came there for no other purpose. I think there was crap shooting all over the camp. I did none of it myself. I do not shoot craps.

Mr. McCULLOCH. You did not shoot craps?

Mr. CLARK. No; I haven't got any luck; I can do better with cards, though, and I can tell you for what it is worth; I have played poker as long as three hours at a time.

Mr. McCULLOCH. On Government time.

Mr. CLARK. You got to quit when quitting time comes.

Mr. McCULLOCH. Check out, is that it?

Mr. CLARK. Certainly.

Mr. McCULLOCH. You say to this committee seriously that there were hundreds of men engaged in that kind of business?

Mr. CLARK. Yes; I suppose more than hundreds.

Mr. McCULLOCH. More than hundreds?

Mr. CLARK. Yes.

Mr. McCULLOCH. On Government time?

Mr. CLARK. On Government time.

Mr. McCULLOCH. In the face of an emergency?

Mr. CLARK. Certainly.

Mr. McCULLOCH. Where the men were called upon to build a camp to house and keep warm American soldiers; is that right?

Mr. CLARK. Yes, sir; I expect if you look over the military orders issued at Camp Sherman you will find out at one time in the military department, in the construction camp, there was issued orders against crap shooting on Government property; it got so bad that it came to their notice; it could not be concealed.

So to keep from being caught by an officer, why they would put an outpost out to see that nobody would come there who had leather leggings on—they always called them leather legs—to see that they would not be caught.

Mr. McCULLOCH. Now, how about the construction foremen and superintendents, and so on; was the outpost out to signal out and guard against the intrusion of a fellow of that kind?

Mr. CLARK. They didn't care whether they came around or not.

Mr. McCULLOCH. You know that to be a fact?

Mr. CLARK. I never saw anybody down there hurt themselves doing anything.

Mr. McCULLOCH. Well, I want to put it this way: Was this procedure, which is reprehensible in the extreme to anybody—was that procedure within the knowledge of the representatives of the contractor?

Mr. CLARK. Well, the foremen of the different gangs no doubt knew that their men were playing poker or shooting craps. I have visited all over that camp during working hours, not only in the barracks where we worked, but in barracks clear over in other sections, where really I had no business being. I should have been up there sawing boards or driving nails.

Mr. McCULLOCH. But you were not expected to do it, is that it?

Mr. CLARK. They never told me I had to, and never told me I didn't have to, and I used my pleasure.

Mr. McCULLOCH. Were there others that did the same thing as you did?

Mr. CLARK. Sure.

Mr. McCULLOCH. By the hundreds?

Mr. CLARK. I don't know how many; I never took that——

Mr. McCULLOCH. Were there many of them?

Mr. CLARK. Well, I saw lots of fellows walking around, the same as I was; I didn't inquire of them.

Mr. McCULLOCH. Were there more men on the various jobs than should have been on the jobs?

Mr. CLARK. Why, in my opinion, there were a great many more than there should have been. I have seen times where I was working on a barracks, supposed to be 20 carpenters and 5 laborers in each bunch; I have seen three gangs in one barracks building, where you never needed more than 20 on any; 20 was enough on any barracks building.

Mr. McCULLOCH. Was the result of that excess number of men to delay the job or to speed it up?

Mr. CLARK. Well, of course, they would be in each other's way; but, you see, when constructing those barracks buildings, there is no necessity of having more men on a building than you actually need, because there isn't enough work for them to do; if you could do all that work just at one time, then you could use 60 men on one building, but you can't construct a building all in a minute, you see, and you can't use all those men at one time.

Mr. McCULLOCH. To advantage?

Mr. CLARK. If you would string 20 men around a building, putting on weather boarding, you can not use more than 20 men on that barracks. What are you going to do, having 40 or 45 men on those barracks?

Mr. McCULLOCH. They are working on one another?

Mr. CLARK. They have got to stand around; they could not work, there is no room for them; as big as those barracks are there would not be room for more than 20 men around those barracks.

Mr. McCULLOCH. You have elaborated quite a little upon the idleness of the labor, but you have not elaborated upon the waste of materials. I wish you would, finally, now, tell us about the waste of materials.

Mr. CLARK. Oh, I have seen piles of lumber that—well, you couldn't begin to—I don't think you could get them in this room here, not near to, I think; they had four or five scrap piles down there that I know of; it seemed that in the general cleaning up of a barracks, after it was finished all over, that the wagons and trucks would haul to wherever they pleased; I don't know whether they had specific orders or not, but I do know you would see them going anywhere, either over to the dump, or to the canal, or to scrap piles, and they hauled everything that they picked up, if that barracks building was finished, regardless of what it was they picked it up, loaded it on their wagon or their truck and hauled it away.

Mr. McCULLOCH. Even though it was bundles of building lumber with the strings around them, never opened; is that right?

Mr. CLARK. I expect if the piles have not been removed now, you can walk over by the Scioto River, back where the gate is, and you can see now an enormous pile of lumber; you can probably go over

and pick weather boarding out of it right now. That pile has been there for two years—unless it has washed away, or unless lots of it has been covered over with gravel, washed away very early last year, has slipped down in the river and gone away. I have seen, oh, in my excursions around over the camp I have seen any number of wagonloads of material dumped into the canal bed. I was not very far there one day from seeing a whole team go down in the hole and two horses burned up; I was not any farther than from here out to High Street of them slipping over.

Mr. McCULLOCH. They would back their wagon in and let the stuff slide in?

Mr. CLARK. And let the stuff slide in.

Mr. McCULLOCH. And on that occasion the wagon, pile, and all slipped in?

Mr. CLARK. The whole thing slid in.

Mr. McCULLOCH. Now, are there any other matters that you can bring to the attention of the committee that will throw any light upon the waste, the idleness, and destruction of property and so on?

Mr. CLARK. Well, at the time I was working over there were a great many things I thought of; it has been two years now, almost, in that time a person kind of lets these things slip out of his mind, while if I were to sit down and think they would probably come back to me, but on one or two occasions I always rode to and from work on a bicycle, and sometimes I would just slip on my wheel and take a ride, and I have been down street lots of times.

Mr. McCULLOCH. While you were on Government time?

Mr. CLARK. Sure, the streets were full of Bentley employees; you could always tell them by the white button they had on.

Mr. McCULLOCH. How about the saloons?

Mr. CLARK. Oh, they were filled; there wasn't standing room in those two up there by the camp.

Mr. McCULLOCH. During working hours?

Mr. CLARK. During working hours.

Mr. McCULLOCH. Was there a great deal of drinking going on among the men while they were on the job during working hours?

Mr. CLARK. Oh, you could—you probably could have gone out there any day and gathered up a wagonload or two of bottles of different kinds—lots of them.

Mr. McCULLOCH. Anything else now, Mr. Clark, that you think of?

Mr. CLARK. No, there is nothing comes to my mind just at the present time.

Mr. MCKENZIE. Frank, cross-examine this man.

Mr. DOREMUS. When did you go to work on the job?

Mr. CLARK. The 28th day of June.

Mr. DOREMUS. As a carpenter?

Mr. CLARK. As a carpenter.

Mr. DOREMUS. And how long did you work as a carpenter?

Mr. CLARK. The 12th day of September, 1917.

Mr. DOREMUS. How many honest days' work did you give the job during that period?

Mr. CLARK. The days were all honest.

Mr. DOREMUS. Well, you know what I mean?

Mr. CLARK. Well, I could have done a great deal more work than I did.

Mr. DOREMUS. How many days did you work, or how many hours in the day, on the average?

Mr. CLARK. I couldn't tell you.

Mr. DOREMUS. Well, you can give us some idea, can't you?

Mr. CLARK. No, sir; I can't.

Mr. DOREMUS. Did you average two hours a day?

Mr. CLARK. Oh, yes; some days I would work the whole day.

Mr. DOREMUS. Would it average three hours a day?

Mr. CLARK. Well, I wouldn't say as to that.

Mr. DOREMUS. Well, some doubt in your mind as to whether you put in three hours a day?

Mr. CLARK. I won't specify any certain amount of time at all; I know there are some days that we didn't work at all, simply because—

Mr. DOREMUS. Were there a good many days when you didn't work at all?

Mr. CLARK. Along in the beginning of the construction of the camp we laid—why we stood around there five days and didn't do a thing. I don't know what this committee has found out, but I know of five days that we did not do a bit of work, we just stayed there and used time to waste—

Mr. DOREMUS. Now, I suppose there were other days when you put in, all, a pretty big, good day's work?

Mr. CLARK. Sure.

Mr. DOREMUS. And you would not assume to say how many hours a day you would put in on the average?

Mr. CLARK. No, sir.

Mr. DOREMUS. And you knew the Government was paying you for full time, or that it would come out of the Government?

Mr. CLARK. Well, I knew somebody was paying it; I presume the Government was.

Mr. DOREMUS. You didn't have to stay there under those circumstances, did you?

Mr. CLARK. I wasn't invited to leave.

Mr. DOREMUS. Is that your idea of serving the country in a time of trial and stress?

Mr. CLARK. I seemed to be serving as well as the rest of them that were there.

Mr. DOREMUS. Well, I am not asking you that.

Mr. CLARK. Well, I may not have been just when you look at it that way.

Mr. DOREMUS. That is just your idea of serving the Government in a time of great war?

Mr. CLARK. No; I guess we all could have done better.

Mr. DOREMUS. Now, I think you have testified that there were at times 60 men on one barracks job?

Mr. CLARK. Yes, sir.

Mr. DOREMUS. What are the sizes of those barracks?

Mr. CLARK. Those barracks, I think, are about as long as this room is wide—no, they are not that—I don't think they are that long; some of them are larger than others; there are two sizes of those barracks, double barracks and single barracks.

Mr. DOREMUS. On this particular barracks, where you saw 60 men at work, what was its dimensions?



Mr. CLARK. I said from 40 to 60, comprising the three gangs of men.

Mr. DOREMUS. Well, on this particular barracks, I want to get your idea of what those dimensions were?

Mr. CLARK. It was a double barracks.

Mr. DOREMUS. Two-story barracks?

Mr. CLARK. Two-story barracks.

Mr. DOREMUS. Now, you know about how long those two-story barracks are, don't you?

Mr. CLARK. I measured one the other day, and I forget how big they are.

Mr. DOREMUS. How?

Mr. CLARK. I measured one the other day, and now I forget how big they are.

Mr. DOREMUS. Well, weren't those barracks about 140 feet long?

Mr. CLARK. I don't believe they are that long; they may be.

Mr. DOREMUS. And about 40 or 43 feet wide?

Mr. CLARK. I think they are closer to 120 feet long.

Mr. DOREMUS. How is that?

Mr. CLARK. Aren't they about 120 feet long?

Mr. DOREMUS. Well, I am asking you; you were working on them.

Mr. CLARK. Well, you seem to know.

Mr. DOREMUS. Well, I think I have information that leads me to believe they are at least 143 feet long.

Mr. CLARK. They may be.

Mr. DOREMUS. And that they are 43 feet wide.

Mr. CLARK. About 43 feet wide; 40 feet—

Mr. DOREMUS. Now, do you mean to say that 40 to 60 men would be crowded on a building of that kind?

Mr. CLARK. Yes, sir.

Mr. DOREMUS. Double story?

Mr. CLARK. Yes, sir.

Mr. DOREMUS. What do you think the size of this room is?

Mr. CLARK. This room is about between 60 and 70 feet wide, and it is 100 feet in this direction, north and south.

Mr. DOREMUS. Well, now, will you count up the number of men in the room at the present time?

Mr. CLARK. About 20.

Mr. DOREMUS. Do you observe any crowded condition in this room?

Mr. CLARK. No, sir; not on the interior.

Mr. DOREMUS. Well, then, what do you mean by telling Mr. McCulloch that those men were crowded on that job?

Mr. CLARK. You understand, when you are putting up a building that you start from the foundation; you put up your studding; you put up all your framework; you can't do that all at one time; you have got to do it as the building is laid off, and put it up a piece at a time; then, when you get ready to put on your weather boarding or your wainscoting on the inside, you can not, as I said to Mr. McCulloch, you can't do everything at the same time; you have got to do this a part at a time, as one part of the work follows another in constructing any building; in other words, you can't put this building up, you can't put the siding and plaster all

at the same time; you can't work on the interior and exterior at the same time.

Mr. DOREMUS. At the time you were putting on the weatherboards and siding, how many men were there on the job?

Mr. CLARK. Why, each gang.

Mr. DOREMUS. On this particular barracks?

Mr. CLARK. Why, I should judge there were at least 50.

Mr. DOREMUS. And you say that was too many men, considering that this was a two-story building?

Mr. CLARK. Entirely too many.

Mr. DOREMUS. I see. You spoke a moment ago about having some experience on a job where 10,000 men could be checked with comparatively no waste; where was that?

Mr. CLARK. Recording & Computing Machine Co., at Dayton.

Mr. DOREMUS. Where is that?

Mr. CLARK. At Dayton, Ohio.

Mr. DOREMUS. Now, did you ever observe any checkers representing the Government while you were there?

Mr. CLARK. Where?

Mr. DOREMUS. At Camp Sherman.

Mr. CLARK. They had Government checkers, especially, I am very familiar with them; when I was keeping time for McGrath—

Mr. DOREMUS. Well, have you any idea as to how thoroughly they performed their work?

Mr. CLARK. I don't think it was very thorough, at all.

Mr. DOREMUS. Well, what is the basis for that opinion?

Mr. CLARK. They took—while they were out over the field checking, I don't know how thorough it was, but I know that they would come in and use the same time cards that I did, to get their time, to check their time sheets against the McGrath time sheets.

Mr. DOREMUS. You say the Government checkers would check their time—

Mr. CLARK. You see, every morning—

Mr. DOREMUS. Against the contractor's checkers; is that right?

Mr. CLARK. The men go to work in the morning, would get his time card, take it on the job with him; some time during the day you would put his name and number on, the number of hours he worked, and total it; his foreman was to sign that; then in the evening in checking out, he would leave that at the time booth; then when I would go to work in the evening I would collect all of those cards. After they are entered on our books the Government timekeepers take those cards the next day and enter them on their slips, on their sheets, the same as we did on the McGrath sheets during the night before the day.

Mr. DOREMUS. In other words, under the system that was adopted out there the Government had its checkers and the contractors had their checkers?

Mr. CLARK. I don't know—yes, I was checking for McGrath when I went to work.

Mr. DOREMUS. Now, are you in a position to state anything regarding the efficiency with which the Government checkers did their work?

MR. CLARK. Now, they worked in the daytime and we worked at night. I worked at night; they worked in the daytime, only I knew where they—I have been there when they were making out their time sheets; I have been there, because they were getting hold of my accounts sometimes and get my work all mixed up and I would have to get it straightened out.

MR. DOREMUS. That is all.

### TESTIMONY OF MR. CARL BOCHARD, OF CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKENZIE.)

MR. McKENZIE. Give your name to the stenographer.

MR. BOCHARD. Carl Bochard.

MR. McKENZIE. Where do you live, Mr.—

MR. BOCHARD. Chillicothe.

MR. McKENZIE. What is your business?

MR. BOCHARD. Well, the last seven years I have been railroading until a year ago, then I went out to Camp Sherman as a carpenter.

MR. McKENZIE. As a carpenter?

MR. BOCHARD. Yes, sir.

MR. McKENZIE. How long did you work there as a carpenter?

MR. BOCHARD. Well, I went to Camp Sherman along about the last of April, and worked there on up until along about December.

MR. McKENZIE. Well, now, you have heard the testimony of a number of witnesses here in connection with that camp; is there anything that you know in connection with the waste or extravagance or inefficiency there that would be of interest to this committee to know?

MR. BOCHARD. There is waste of everything, material and nails and roofing, plaster boards, siding—everything they used there was waste—nails, as many kegs of nails half full, kicked over and scattered over the ground; roofing laying off around ditches and water.

MR. McKENZIE. Well, that was done all over the camp?

MR. BOCHARD. All over the camp.

MR. McKENZIE. Now, do you know of any specific instances of anything that was especially—

MR. BOCHARD. Yes; we hauled trash up in Maces Grove, scrap material; I see siding up there that never had been untied, a bunch of siding.

MR. McKENZIE. How much of that did you see?

MR. BOCHARD. One package I saw.

MR. McKENZIE. One package.

MR. BOCHARD. Oh, there was many there—good pieces of timber in them.

MR. McKENZIE. And you saw them burn?

MR. BOCHARD. No. It is, I expect, up there; it is piled up there in a pile; it may be there yet; it was the last time I was up in there; that has been three months ago.

MR. McKENZIE. Been laying out in the weather?

MR. BOCHARD. Yes; I suppose there was a half acre of ground.

MR. McKENZIE. Would that be of any value after being piled up?

MR. BOCHARD. No, sir; it would not be of any good for anybody, only to burn.

Mr. McKENZIE. Well, now, you have stated that the material waste there was very great?

Mr. BOCHARD. Yes, sir.

Mr. McKENZIE. What do you have to say as to the waste of labor there?

Mr. BOCHARD. There was lots of them idle men.

Mr. McKENZIE. Just about how would that come about?

Mr. BOCHARD. Well, people working on the job that would walk off and stay away an hour or two or three hours and come back.

Mr. McKENZIE. And check in at the end of the day?

Mr. BOCHARD. Oh, they would always be there when checking time come in the evening.

Mr. McKENZIE. Well, where would they put in their time—go off of the camp?

Mr. BOCHARD. I could not say.

Mr. McKENZIE. Go down town?

Mr. BOCHARD. I could not say; they would be gone.

Mr. McKENZIE. Well, was that true of the gang on which you worked?

Mr. BOCHARD. Yes; they did that.

Mr. McKENZIE. Well, what have you got to say about the efficiency of the workmen with whom you were associated on that particular work?

Mr. BOCHARD. Well, I worked under Charlie Kuntz, and he never come around to tell us to slow up or nothing; he was always kind of follow on us fellows to see that we was working, and at the time that I was there there wasn't never at any time more than 25 men on the job, and we would put up one of them buildings, average a building in about seven or eight days.

Mr. McKENZIE. Your gang was about half the size of the usual ordinary one?

Mr. BOCHARD. Yes, sir; I worked under McGrath; I never worked any under Bentley.

Mr. McKENZIE. But so far as your own particular little party of 20 or 25 men, your foreman didn't give you orders to slow up?

Mr. BOCHARD. No, sir; he never give us no orders; he has always—I would see him come around; he would tell you about, don't be so slow, or what are you doing, something like that; just tell you to keep on working.

Mr. McKENZIE. But notwithstanding the fact that your organization—

Mr. BOCHARD. I worked up for him until after the day of the armistice was signed; he went and got a discharge for all of us and quit himself.

Mr. McKENZIE. But, generally speaking, taking it over the camp, you saw a great many idle men?

Mr. BOCHARD. Yes; idle men every place.

Mr. McKENZIE. What have you to say about too many men being employed on parts of that work?

Mr. BOCHARD. Well, I wasn't there when the thickest part of it was, but I have saw buildings that had lots more men working previous. The way the foreman done with us, if he had a man that didn't work, didn't want him, he transferred him to some other man; that is the way he done.

Mr. McKENZIE. Do you know anything about a lot of nails being loaded onto a traction car down there?

Mr. BOCHARD. Yes, sir.

Mr. McKENZIE. And do you know where they came from?

Mr. BOCHARD. Yes, sir.

Mr. McKENZIE. What was done with them?

Mr. BOCHARD. They came out of No. 2 warehouse, and White was supposed to be our foreman. He is the one that ordered the cars; and he called up over there to send two cars over there to haul nails to the traction depot. Well, we took, I think it was, right around 120 kegs of nails to the Chillicothe wholesale house, in hardware; then we hauled three loads down to the traction; loaded them on the interurban car. He said that was going to Columbus. In the meantime he drew the check himself at the Chillicothe Hardware Co. for the nails, for we was talking to the fellow, the receiving clerk in there. He said that if he had had it himself he wouldn't have accepted the nails, but he said his foreman did.

Mr. McKENZIE. And they were shipped off of the camp?

Mr. BOCHARD. They was taken off of the camp.

Mr. McKENZIE. And about how many kegs?

Mr. BOCHARD. There was 120 kegs, and he drew the check.

Mr. McKENZIE. To whom were they consigned at Columbus?

Mr. BOCHARD. I couldn't say that.

Mr. McKENZIE. You don't know that?

Mr. BOCHARD. No.

Mr. McKENZIE. I guess that is all. Anything Mr. McCulloch?

Mr. McCULLOCH. No.

Mr. McKENZIE. Mr. Doremus?

Mr. DOREMUS. No.

Mr. McCULLOCH. Mr. Chairman, I want to offer and ask that it be printed in the record, a statement of orders placed by A. Bentley & Sons Co., general contractors, Camp Sherman, with M. J. Gibbons Supply Co., Dayton, Ohio, for materials.

Mr. Wessen says that he took these figures and the record from the record—

Mr. WESSEN. Yes.

Mr. McCULLOCH. Of the construction division of the War Department—took them off himself.

Mr. DOREMUS. Well, I am willing to take Mr. Wessen's word for that.

Mr. McCULLOCH. You may mark that the proper exhibit.

(The statement of orders referred to is as follows:)

*Statement of orders placed by A. Bentley & Sons Co., general contractor, Camp Sherman, Ohio, with The M. J. Gibbons Supply Co., Dayton, Ohio.*

No.	Date.	Material.	Amount.
794	July 4, 1917	Oak ties	\$25.00
1217	July 20, 1917	Plumber's tools	5,450.80
1824	July 27, 1917	Oak ties	60.00
1948, 1949	Aug. 2, 1917	Pipe fittings	12,185.80
1961	do.	Black steel pipe	940.00
2086	Aug. 4, 1917	Beaverettes	729.00
2124	do.	Galvanized water pipe	19.50
2126	Aug. 6, 1917	Pipe fittings	47.98
2353	Aug. 8, 1917	do.	174.90
2723	Aug. 10, 1917	Oak ties	26.50
2973	Aug. 13, 1917	Plumber's tools	519.50
3107	Aug. 17, 1917	Pipe fittings	721.15
3119	Sept. 7, 1917	Gas furnishings and fittings	3.92
3120	do.	Pipe fittings	39.88
3121	do.	do.	30.13
3122	do.	Brass closet bolts	200.00
3123	do.	Grip screws	4.69
3446	Aug. 17, 1917	Plumber's hardware	191.30
3448	do.	do.	128.87
3449	do.	do.	32
3450	do.	Plumber's equipment	477.50
3451	do.	Hydrants	42.16
3456, 3457	do.	Plumber's tools and carpenter's tools	3,520.92
3707	Aug. 23, 1917	Pipe fittings	157.40
3708	do.	do.	95.00
3709	do.	Carpenter's tools	658.88
3710	do.	Wrenches	96.66
3711	do.	Brass bolts and screws	34.80
3724, 3725	Aug. 24, 1917	Pipe fittings	732.79
3778	do.	Steel pipe	839.75
3790	do.	Heating system material	8,033.99
3796	Aug. 25, 1917	do.	146.35
4045	Aug. 30, 1917	Empty egg cases	7.00
4342-4344	Sept. 7, 1917	Pipe fittings	1,831.32
4345	do.	Mechanics' tools	1,323.54
4346	do.	Galvanized pipe	2,939.38
4347, 4348	do.	Pipe fittings	1,795.79
4349	do.	do.	85.12
4350	do.	Beavers and Beaverettes	164.00
4860	Sept. 9, 1917	Timber (for reinforcing warehouse)	2,658.41
4984	Sept. 11, 1917	Soil pipe and fittings	978.12
5080, 5726	Sept. 21, 1917	Galvanized pipe and fittings	543.54
5727	do.	Oil cans, screws and bolts	40.34
5728	do.	Galvanized pipe fittings	49.60
5729	do.	Pipe fittings	121.77
5730	do.	do.	115.62
5731	do.	do.	107.76
5782	do.	do.	100.74
5733	do.	do.	98.43
5734	do.	do.	92.79
5735	do.	do.	983.90
5736	do.	do.	49.53
5737	do.	do.	344.43
5739	do.	do.	476.04
5741, 5742	do.	do.	58.96
5743	do.	do.	19.93
5744	do.	do.	55.05
5745	do.	do.	55.82
5747	do.	do.	52.52
5748, 5749	do.	do.	60.76
5750	do.	do.	54.23
5801-5804	Sept. 21, 1917	Galvanized pipe and fittings	1,505.07
5805, 5806	do.	Pipe fittings	1,261.97
5807, 5808	do.	do.	267.32
5810-5814	do.	do.	453.22
5815-5817	do.	do.	2,267.03
5818	do.	do.	148.54
5819	do.	Caulking lead and oakum	376.00
5820	do.	Pipe fittings	96.52
5821	do.	do.	104.47
5822	do.	do.	246.86
5823	do.	Pipe and fittings	132.00
5824	do.	Black pipe	91.43
5825	do.	Pipe fittings	190.50
5827	Sept. 22, 1917	Wrenches	32.81
5828	do.	Soil pipe and fittings	255.86
5829	do.	Cast-iron ells	216.75
5833	do.	Pipe fittings	56.02
5834	do.	Pipe vises	22.50
5835	do.	Pipe fittings	47.68
5836	do.	do.	84.00
5837	do.	do.	37.80

*Statement of orders placed by A. Bentley & Sons Co., general contractor, Camp Sherman, Ohio, with The M. J. Gibbons Supply Co., Dayton, Ohio—Contd.*

No.	Date.	Material.	Amount.
5838.	Sept. 22, 1917	Pipe fittings.	\$199.26
5839.	do.	do.	79.94
5840.	do.	Rainbow packing.	116.58
5841.	do.	I. B. gates, screwed.	379.69
5842.	do.	Galvanized pipe.	182.93
5843.	do.	Pipe fittings.	138.35
5844.	do.	do.	129.62
5845.	do.	Galvanized pipe.	336.84
5848, 5849.	Sept. 25, 1917	Pipe fittings.	1,336.06
5850.	do.	Galvanized roof flashings.	42.40
5872.	Sept. 26, 1917	Screws.	4.69
5873, 5874.	do.	Pipe fittings.	72.62
5875.	do.	do.	79.82
5876.	Sept. 25, 1917	Boiler stands.	60.09
5877.	do.	Pipe fittings.	15.24
5878.	do.	Sinks.	75.00
5879.	do.	Curb cocks.	21.68
5896.	Sept. 26, 1917	Wrenches and Stove bolts.	192.32
5898.	do.	Pipe hangers.	33.46
5899.	do.	Galvanized pipe.	1,120.39
5890.	Sept. 25, 1917	Pipe fittings.	20.82
5891.	Sept. 26, 1917	do.	89.05
5892.	Sept. 25, 1917	do.	107.05
5895, 5896.	Sept. 26, 1917	do.	72.62
5897.	do.	do.	11.49
5899.	do.	Void.	189.00
6312.	Sept. 27, 1917	Pipe fittings.	189.00
6312.	do.	do.	484.08
6318.	do.	Roof metal.	78.75
6320.	do.	Pipe fittings.	186.78
6321.	do.	do.	3354.02
6314.	Sept. 30, 1917	do.	92.82
6345.	do.	Galvanized pipe.	104.03
6346.	do.	Boiler fittings.	26.20
6347.	do.	Plain traps.	53.45
6348.	do.	Radiator bushings.	10.00
6349.	do.	Curb box rods.	45.00
6350.	do.	Strap iron.	87.50
6476.	do.	Hangers and screws.	24.75
6477.	do.	Pipe fittings.	80.94
6478.	do.	do.	324.96
6479.	do.	do.	396.53
6480.	do.	do.	11.49
6481, 6482.	do.	do.	663.02
6487.	Oct. 3, 1917	do.	183.48
6488-6491.	do.	do.	115.55
6490.	Oct. 2, 1917	do.	121.40
6495, 6496.	do.	do.	21.59
6497.	Oct. 3, 1917	do.	211.54
6499.	Oct. 2, 1917	do.	25.41
6599.	Oct. 6, 1917	Black steel pipe.	4031.08
6500.	Oct. 2, 1917	Pipe fittings.	333.20
6526.	do.	do.	92.48
6527.	do.	do.	219.39
6528.	do.	do.	13.95
6529.	do.	Radiators.	299.34
6530.	do.	Pipe fittings.	42.39
7001.	Oct. 11, 1917	do.	120.26
7002.	do.	do.	94.46
7003.	do.	do.	50.27
7004.	do.	do.	110.46
7005.	do.	do.	76.12
7006.	do.	do.	111.64
7007.	Oct. 10, 1917	do.	44.62
7008.	Oct. 11, 1917	do.	18.00
7009.	Oct. 10, 1917	do.	199.56
7010.	Oct. 12, 1917	do.	76.40
7011.	Oct. 11, 1917	do.	29.12
7012.	do.	do.	15.44
7013.	do.	do.	22.76
7014.	do.	do.	23.41
7015, 7016.	do.	do.	43.72
7017.	do.	do.	31.48
7018, 7035.	Oct. 12, 1917	do.	44.60
7019, 7021.	Oct. 11, 1917	do.	30.34
7021, 7022.	do.	do.	28.60
7023, 7024.	do.	do.	72.62
7025.	do.	do.	20.27
7026.	do.	Plumbing material.	167.20
7077.	do.	do.	22.40
7078.	do.	do.	30.00
7079.	Oct. 12, 1917	do.	141.14
7080.	do.	do.	330.28

Statement of orders placed by A. Bentley & Sons Co., general contractor, Camp Sherman, Ohio, with The M. J. Gibbons Supply Co., Dayton, Ohio—Contd.

No.	Date.	Material.	Amount.
7081.	Oct. 12, 1917	Plumbing material.	\$34.80
7082.	do.	do.	15.91
7083.	do.	do.	22.73
7084.	do.	do.	52.00
7085.	do.	do.	21.84
7086.	do.	do.	30.35
7087.	do.	do.	303.30
7088.	do.	do.	45.00
7089.	do.	do.	91.20
7403.	Oct. 19, 1917	do.	179.40
7404.	do.	Soil pipe and roof metal.	1,466.71
7405.	do.	Pipe fittings.	159.81
7406.	do.	do.	109.28
7407.	do.	do.	53.94
7408.	do.	Boiler stands.	302.31
7409.	do.	Pipe fittings.	99.01
7410.	do.	Plumbing fixtures.	74.01
7411.	do.	Soil pipe.	151.79
7412.	do.	Plumbing fixtures.	215.44
7413.	do.	do.	458.64
7414.	do.	Pipe fittings.	1,062.79
7415.	do.	do.	157.93
7416.	do.	do.	349.00
7417.	Oct. 20, 1917	do.	214.47
7418.	do.	Plumbing fixtures.	153.76
7419.	do.	Pipe fittings.	16.24
7420.	do.	do.	119.48
7421.	do.	do.	28.94
7519.	do.	do.	169.56
7520.	do.	10 iron brackets.	810.00
7521, 7522.	do.	Pipe fittings.	399.93
7523.	do.	do.	106.95
7524.	do.	do.	51.64
7525.	do.	do.	34.69
7576.	do.	do.	87.48
7577.	do.	Chain hoists.	239.80
7578.	do.	Pipe fittings.	178.06
7579.	do.	do.	139.60
7580.	do.	do.	4.68
7581.	do.	Chain hoists.	154.00
7582.	do.	Pipe fittings.	100.80
7583.	do.	Relief valves and thermometers.	125.20
7584.	do.	Grease traps and shower heads.	238.80
7586.	do.	Fitter's tools.	27.00
7588.	do.	Pipe fittings.	129.33
7652-7656.	Oct. 24, 1917	do.	498.52
7654.	do.	do.	34.99
7655.	do.	Fitter's tools.	506.77
7657.	Oct. 19, 1917	Pipe fittings.	22.86
7658.	Oct. 25, 1917	do.	5.94
7659.	do.	do.	347.52
7660, 7661.	do.	do.	424.70
7662.	do.	Range boilers and tanks.	1,439.25
7663.	do.	Pipe fittings.	269.98
7664-7666.	do.	do.	867.23
7667, 7668.	do.	do.	20.44
7699.	do.	do.	72.61
7670.	do.	do.	5.32
7671.	do.	Rockwool and steel hangers.	367.07
7672.	do.	Pipe fittings.	4.78
7673.	do.	Radiator fittings and boiled oil.	111.48
7674.	do.	Pipe fittings.	86.23
7675.	do.	do.	18.47
7751.	do.	Pipe and fittings (galvanized).	309.19
7752.	do.	Pipe fittings.	86.02
7753, 7754.	do.	do.	390.58
7755.	do.	do.	251.74
7756-7758, 7759-7762.	do.	do.	565.15
7763-7766.	do.	do.	964.65
7767.	do.	Soil pipe and fittings.	678.29
7768.	do.	Pipe fittings.	9.46
7769.	do.	Mineral wool and lavatory fittings.	52.79
7770-7772.	Oct. 26, 1917	Pipe fitting.	544.91
7774.	Oct. 24, 1917	Radiators.	297.27
7775.	do.	Lavatory supplies.	55.17
7776.	Oct. 25, 1917	Pipe fittings.	13.18
7777.	Oct. 24, 1917	do.	49.09
7778.	Oct. 25, 1917	do.	7.20
7779.	Oct. 27, 1917	do.	
7780.	Oct. 31, 1917	do.	39.19
7781, 7782.	Oct. 26, 1917	do.	32.42



*Statement of orders placed by A. Bentley & Sons Co., general contractor, Camp Sherman, Ohio, with The M. J. Gibbons Supply Co., Dayton, Ohio—Contd.*

No.	Date.	Material.	Amount.
7783.	Oct. 27, 1917	Pipe fittings	\$51.61
7784, 7785.	do.	do.	27.74
7786, 7787.	do.	do.	37.32
7788.	do.	Black pipe.	220.19
7789.	do.	Pipe fittings.	9.93
7790, 7791.	Oct. 26, 1917	do.	55.09
7792, 7793.	do.	do.	27.23
7794, 7795.	do.	do.	25.91
7796, 7797.	do.	do.	66.37
7798, 7799.	do.	do.	16.34
1600-7826.	do.	do.	11.26
7827, 7828.	do.	do.	4.53
7829, 7830.	do.	do.	19.87
7831, 7832.	do.	do.	6.61
7833.	do.	do.	13.11
7834, 7835.	do.	do.	8.10
7836.	Oct. 29, 1917	do.	16.34
7837, 7838.	do.	do.	10.53
7839.	do.	do.	20.66
7840, 7841.	do.	do.	187.96
7842.	do.	do.	16.26
7843, 7844.	Oct. 26, 1917	do.	16.34
7845.	Oct. 27, 1917	do.	911.06
7847-7849.	Oct. 25, 1917	do.	264.09
7850, 7851.	do.	do.	24.99
7852-7854.	Oct. 28, 1917	Pipe and fittings.	48.46
7855-7857.	do.	Pipe fittings.	6.46
7858, 7859.	do.	do.	46.44
7860, 7861.	Oct. 26, 1917	do.	16.34
7862, 7863.	do.	do.	33.39
7864, 7865.	do.	do.	21.80
7866, 7867.	do.	do.	44.45
7868, 7869.	do.	do.	807.48
7870.	Oct. 27, 1917	Black pipe.	120.20
7871.	do.	Radiator fittings.	69.39
7872, 7873.	do.	Pipe fittings.	13.91
7874.	Oct. 28, 1917	do.	21.25
7926.	Oct. 31, 1917	do.	20.41
7927.	do.	do.	328.05
7930, 7931.	Oct. 27, 1917	do.	172.90
7932.	Nov. 3, 1917	Pipe hangers.	250.91
7936.	Nov. 7, 1917	Pipe fittings.	260.68
7937.	do.	do.	366.85
7938.	do.	do.	235.51
7988.	Oct. 29, 1917	Pipe and fittings.	275.08
7989.	do.	Pipe fittings.	258.43
7990.	do.	do.	208.82
7991.	do.	do.	190.90
7992.	do.	do.	2,328.85
7993.	Oct. 28, 1917	do.	2,340.66
7994.	Oct. 29, 1917	Fitter's tools and black pipe.	206.66
7995.	Oct. 28, 1917	Boiler fittings and black pipe.	516.05
8035, 8036.	Oct. 31, 1917	Black pipe and tools.	133.73
8037.	do.	Pipe fittings.	1,259.13
8038.	do.	do.	134.40
8044-8046.	Nov. 1, 1917	do.	496.63
8047.	do.	do.	155.85
8048.	do.	do.	160.19
8167.	Nov. 7, 1917	Radiator fittings.	145.51
8168.	do.	Pipe fittings.	122.50
8169.	do.	do.	195.51
8169.	do.	do.	141.00
8170.	do.	do.	143.68
8171.	do.	do.	728.90
8618.	Nov. 12, 1917	do.	494.79
8619.	do.	do.	620.99
8650.	do.	do.	668.54
8704.	Nov. 13, 1917	do.	157.63
8705.	do.	do.	122.14
8706.	do.	do.	154.91
8707.	do.	do.	95.05
8708.	do.	do.	163.41
8710, 8711.	do.	do.	55.64
8712, 8713.	do.	do.	100.44
8714, 8715.	do.	do.	390.61
8717, 8718.	do.	do.	115.04
8719.	do.	Lavatory.	311.44
8720.	do.	Pipe.	1,098.55
8721, 8722.	do.	Pipe fittings.	254.63
8721, 8725.	Nov. 12, 1917	do.	54.68
8751.	do.	do.	

Statement of orders placed by A. Bentley & Sons Co., general contractor, Camp Sherman, Ohio, with The M. J. Gibbons Supply Co., Dayton, Ohio—Contd.

No.	Date.	Material.	Amount.
8765, 8766	Nov. 14, 1917	Pipe fittings	\$530.09
8767	do	do	277.61
8767	Nov. 15, 1917	Black pipe and fittings	86.11
8769	do	Pipe fittings	272.70
8838	Nov. 21, 1917	Boiler fittings	10.89
8939	do	Pipe fittings	320.55
8940	do	do	73.22
8941	do	do	193.60
8942	do	do	187.48
8943	do	do	1,112.47
8944	do	do	332.75
8945	do	do	110.26
8946	do	do	85.96
8947	do	do	238.34
8948	do	Lavatory fittings	382.04
8949	do	Pipe fittings	51.45
9012, 9013	Nov. 28, 1917	do	978.12
9014	do	do	248.93
9015	do	do	46.43
9016	do	do	317.75
9017	do	do	149.25
9018	do	do	192.15
9019	do	do	254.83
9020	do	do	65.91
9021	do	do	127.11
9022	do	Pipe fittings and boilers	2,637.24
9023	do	Pipe fittings	18.45
9168	Dec. 3, 1917	Relief valves	88.92
9169	do	Sinks	99.12
9170	do	Pipe fittings	12.23
9171	do	do	20.28
9172	do	Black pipe and valves	143.24
9173	do	Air-cell covering	800.04
9174	do	Hydromatic steam traps	357.00
9176	do	Black pipe and valves	144.27
9177	do	Pipe fittings	8.24
9178	do	do	109.42
9179	do	Float trap	23.80
9180	do	Hydromatic steam trap	81.00
9181	do	Brass plugs	6.08
9182	do	Vertical tanks	2,024.00
9183	do	Bushings	5.94
9184	do	Regulators	192.00
9185	do	Galvanized troughs	9.80
9186	do	Reducing valve	46.20
9187	do	Steam trap	43.00
9188	do	Set of dies	2.19
9189	do	Hydromatic steam traps	273.00
9190	do	Float traps	17.43
9191	do	Pipe fittings	175.70
9192	do	Traps	37.63
9198	do	Bushings	8.67
9202	Dec. 4, 1917	Machine pinion	15.00
9204	do	Labor and motor parts (auto)	30.25
9205	do	Pipe fittings	115.84
9206	do	Radiator fittings	550.00
9207	do	Expansion joints	232.08
9208	do	Sink	17.25
9209	do	Black pipe	120.00
9210	do	Pipe fittings	948.51
9211	do	do	335.51
9212	do	do	128.52
9213	do	do	657.40
9214	do	Water softener	9.60
9215	do	Pipe fittings	123.76
9216	do	Closest plungers	24.00
9217	do	Glove valves	91.20
9218	do	Hydromatic steam traps	42.00
9219	do	Pipe fittings	59.64
9220	do	Urinal outfit	27.50
9221	do	Soil pipe	52.19
9222	do	Air-cell covering	510.44
9223	do	Urinal fittings	55.00
			135,075.14

Mr. McCulloch. I want to also offer the purchase orders in the case of Bentley buying from Bentley, Toledo, Ohio, for the ma-

terials. They are the original orders, as shown from the files of the War Department.

(The purchase orders referred to are as follows:)

No. 1621.

THE A. BENTLEY & SONS CO.,  
UNITED STATES CANTONMENT.  
Chillicothe, Ohio, July 27, 1917.

A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8.

Please furnish this company with the following articles and send invoices in quadruplicate (invoice must be itemized in exact accordance with this order). Order number and special marks must appear on all packages and bills. The acceptance of this order constitutes an agreement to furnish the articles complete as specified. All to be in accordance with the plans and specifications of the United States for cantonments and satisfactory to the officer in charge.

Five hundred 30-foot lengths,  $\frac{1}{2}$  inch round structural steel; 10,000 feet  $\frac{1}{2}$  inch round (rande), structural steel, per hundredweight, \$5.15, base. (F. o. b. Toledo, Ohio.)

Please state on all bills point and route of shipment and whether freight charges prepaid or collect. Mail a shipping notice in duplicate on day of shipment to this office, if shipment is made by transportation company. If local delivery, make delivery ticket in duplicate and be sure to get delivery receipt signed. Mark each package.

Yours, truly.

THE A. BENTLEY & SONS Co.,  
By T. M. DUFFY, Purchasing Agent.

No. 1754.

JULY 30, 1917.

A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8.

One 2 by 8, open ends, cast-steel sheet piling cap, \$4.80 each. (By express.)  
T. M. DUFFY.

No. 2035.

AUGUST 4, 1917.

A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8:

150 pieces  $1\frac{1}{2}$  inches round steel, base, \$5.15.  
100 pieces 1 inch round steel, base, \$5.15.  
(F. o. b. Toledo, Ohio.)

T. M. DUFFY.

No. 2150.

AUGUST 4, 1917.

THE A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8:

This is a confirming order for materials, equipment, etc., furnished from your Toledo stock.

24 $5/8$ by 6 machine bolts, at \$7.60	\$1.82
1 50-pound bale plumbers oakum, at \$0.08	4.00
2 padlocks, at \$0.65	1.30
4 lever jacks, at \$12	48.00
10 2 by 14 inch locomotive screw jacks, at \$3	30.00
12 pair 8-inch side cut pliers, at \$0.75	9.00

1 pair No. 3 bolt cutters, at \$4.....	\$4.00
36 water dippers, at \$1 dozen.....	3.00
1 large lead furnace, at \$39.....	39.00
3 iron kettles for same, 145 pounds, at \$2.50 each.....	7.50
3 ladles for same, 25 pounds, at \$0.50.....	1.50
4 16-pound crow bars, at \$0.60.....	2.40
24 flat cleavices, 60 pounds, at \$0.10.....	6.00
24 5/8 by 4 machine bolts, at \$5.33.....	1.28
4 chalking chisels, 5 pound, at \$0.25.....	1.00
1 roll-top desk, 6/25.....	27.50
1 roll-top desk, 6/25.....	27.50
1 flat top desk 6/23.....	15.00
1 steel cabinet, 6/23.....	40.00
1 large Novo gasoline power saw, 6 by 3, with gas engine, 486, attached.....	600.00
50 old doors, 3 by 7, at \$1.47.....	73.00
50 old sash, 3 by 4, at \$0.72.....	36.00
253 3 by 9 shed panels, at \$3.....	7.59
16 pieces 4 by 4—10, old 214 foot, at \$38.....	8.13
11 pieces 2 by 4—10, old 74 foot, \$32.....	2.37
10 pieces 2 by 6—10, old 100 foot, \$31.....	3.10

T. M. DUFFY.

No. 2193.

AUGUST 7, 1917.

THE A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8.

12,000 square feet, No. 29, triangular mesh reinforcing wire at a price f. o. b. Toledo of \$0.024 per square foot.

This confirms our wire to you to-day.

No 2301.

AUGUST 4, 1917.

THE A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8.

This is a confirming order for materials, equipment, etc., furnished from your Toledo stock.

166 3 by 9 shed panels, at \$3.....	\$498.00
200 board feet 1 by 6 D. & M., new, at \$45.....	9.60
4 cant hooks, at \$1.50.....	6.00
2 timber D, at \$3.50.....	7.50
55 pounds lead, at \$0.10.....	5.50
2 pair No. 7 tin snips, at \$1.50.....	3.00
2 6-inch double steel blocks, at \$1.02.....	2.04
2 6-inch triple steel blocks, at \$1.47.....	2.94
4 pieces 3/4-inch rope, 170 pounds, at \$0.30.....	51.00
1 boiler, Insurance Co. No. 16.....	600.00
1 Gardner steam pump.....	200.00
1 Ladow-Dunn steam pump No. 322.....	200.00
1 Novo gasoline-power saw, No. 616, with gas engine No. 486 attached.....	600.00
22 pieces 2 by 10, 16-foot new yellow pine, 287 feet, at \$37.....	21.72
6 pieces 4 by 4 16-foot new yellow pine, 125 feet, at \$42.....	5.87
48 1/2 by 4 carriage bolts, at \$3.06.....	1.47
10 pounds 20d. common nails, at \$0.05.....	.50
15 hours carpenter work, at \$0.60.....	8.00
100 feet 3-inch pipe.....	28.31
240 feet 2 1/2-inch pipe, at \$21.65.....	51.96
110 feet 1 1/2-inch pipe, at \$10.18.....	11.20
1 large tool box.....	15.00
2 water barrels, at \$0.75.....	1.50
6 end-dump wheelbarrows, railroad stock, at \$5.....	30.00
2 side-dump wheelbarrows, railroad stock, at \$3.50.....	7.00

T. M. DUFFY.

No. 2302.

August 4, 1917.

THE A. BENTLEY &amp; SONS Co.,

Toledo, Ohio, Cantonment No. 8:

This is a confirming order for materials, equipment, etc., furnished from your Toledo stocks.

1 Milburn dump wagon, No. 15, 2½-inch hollow iron axle	\$150.00
1 Milburn dump wagon, No. 15, 2½ by 2½ solid iron axle	150.00
1 Milburn dump wagon, 2½ by 2½ solid iron axle	150.00
3 wheel scrapers, at \$25	75.00
1 gasoline tank	50.00
2 ¾ by 12 calking chisels, at \$0.30	60.00
1 ¾ by 12 calking chisel	50
14 24-inch gauge flat cars, at \$65	910.00
10 concrete buggies, at \$14	140.00
8 side dump wheelbarrows, at \$3.50	28.00
4 end dump wheelbarrows, at \$5	20.00
1 lumber wagon, No. 28, 4 by 5 wood axle, 1½ by 4 by 14 resch	90.00
1 lumber wagon, No. 11, 2½-inch hollow iron axle	90.00
1 lumber wagon, No. 4m, 2½ by 2½ inch solid iron axle, 2½ by 2½ by 16-foot resch	90.00
4 pounds ⅞ Rainbow packing	} at \$0.90
5 pounds ½ Rainbow packing	
6 pounds ¼ Rainbow packing	
1 Novo (gas engine attached) saw rig, No. 601	175.00
4 3 by 5 pipe rollers	40.00
2 large tool boxes, at \$15	30.00
7 wheel scrapers, at \$25	175.00
14 large tool boxes, numbered 65 to 78 inclusive, at \$15	

T. M. DUFFY.

No. 2303.

August 4, 1917.

THE A. BENTLEY &amp; SONS Co.,

Toledo, Ohio, Cantonment No. 8:

This is a confirming order for materials, equipment, etc., furnished from your Toledo stock.

1 dozen water pails, at \$0.50	\$6.00
2 dozen water dippers, at \$1	2.00
2 12-pound sledges, at \$1.25	2.50
6 16-pound crowbars, at \$0.60	3.60
12 mattocks and handles, at \$0.75	9.00
2 kegs 20-penny common nails, at \$4.20	8.40
2 kegs 8-penny common nails, at \$4.30	8.60
100 rolls 2-ply roofing paper, at \$1	100.00
6 2 by 10-16, new yellow pine, 160 feet, at \$37	5.92
1 2 by 10-12 new yellow pine, 20 feet, at \$37	.74
7 2 by 4-12, new yellow pine, 56 feet, at \$37	2.07
5 pounds 20-penny common spikes, at \$0.50	.25
5 hours carpenter time, at \$0.60	3.00
2 hours labor time, at \$0.30	.60
100 kegs 5-penny common nails, at \$1.30	430.00
100 kegs 20-penny common nails, at \$4.20	420.00
6 dozen (72) water pails, at \$0.50	36.00
9 dozen water dippers, at \$1	9.00
25 ½ by 1-inch machine bolts, at \$1.28	.32
25 ½ by 1½-inch machine bolts, at \$1.28	.32
25 ½ by 2-inch machine bolts, at \$1.34	.34
25 ½ by 2½-inch machine bolts, at \$1.40	.35
25 ½ by 3-inch machine bolts, at \$1.46	.37
25 ½ by 3½-inch machine bolts, at \$1.52	.38
25 ½ by 4-inch machine bolts, at \$1.58	.40
25 ½ by 1-inch carriage bolts, at \$0.75	.19
25 ½ by 1½-inch carriage bolts, at \$0.75	.19

25 $\frac{1}{2}$ by 2 inch carriage bolts, at \$0.83	\$0.21
25 $\frac{1}{2}$ by 2 $\frac{1}{2}$ -inch carriage bolts, at \$0.90	.23
24 $\frac{1}{2}$ by 3-inch carriage bolts, at \$0.98	.25
25 $\frac{1}{2}$ by 3 $\frac{1}{2}$ -inch carriage bolts, at \$1.05	.26

T. M. DUFFY.

No. 2304.

AUGUST 4, 1917.

THE A. BENTLEY &amp; SONS CO.,

*Toledo, Ohio, Cantonment No. 8:*

This is a confirming order for materials, equipment, etc., furnished from your Toledo stock.

25 $\frac{1}{2}$ by 4-inch carriage bolts, at \$1.13	\$0.26
2 pounds $\frac{1}{2}$ -inch cut washers	
2 pounds $\frac{1}{2}$ -inch cut washers	
5 pounds $\frac{1}{2}$ -inch cut washers	17 pounds, at \$0.10
5 pounds $\frac{1}{2}$ -inch cut washers	1.70
25 $\frac{1}{2}$ by 1 machine bolts, at \$1.80	.45
25 $\frac{1}{2}$ by 1 $\frac{1}{2}$ machine bolts, at \$1.80	.45
25 $\frac{1}{2}$ by 2 machine bolts, at \$1.92	.48
25 $\frac{1}{2}$ by 2 $\frac{1}{2}$ machine bolts, at \$2.04	.51
25 $\frac{1}{2}$ by 3 machine bolts, at \$2.16	.54
25 $\frac{1}{2}$ by 4 machine bolts, at \$2.28	.57
25 $\frac{1}{2}$ by 1 carriage bolts, at \$1.43	.36
25 $\frac{1}{2}$ by 1 $\frac{1}{2}$ carriage bolts, at \$1.43	.36
25 $\frac{1}{2}$ by 2 carriage bolts, at \$1.55	.39
25 $\frac{1}{2}$ by 2 $\frac{1}{2}$ carriage bolts, at \$1.67	.42
25 $\frac{1}{2}$ by 3 carriage bolts, at \$1.79	.45
25 $\frac{1}{2}$ by 3 $\frac{1}{2}$ carriage bolts, at \$1.91	.48
25 $\frac{1}{2}$ by 4 carriage bolts, at \$2.03	.51
25 $\frac{1}{2}$ by 3 $\frac{1}{2}$ machine bolts, at \$2.40	.60
12 $\frac{1}{2}$ by 6 machine bolts, at \$6.47	.78
12 $\frac{1}{2}$ by 7 machine bolts, at \$7.04	.84
12 $\frac{1}{2}$ by 8 machine bolts, at \$7.61	.91
12 $\frac{1}{2}$ by 10 machine bolts, at \$8.75	1.05

F. M. DUFFY.

No. 2305.

AUGUST 4, 1917.

THE A. BENTLEY &amp; SONS CO.,

*Toledo, Ohio, Cantonment No. 8:*

This is confirming order for materials, equipment, etc., furnished from your Toledo stock:

25 $\frac{1}{2}$ by 1 machine bolts, at \$3.90	\$0.98
25 $\frac{1}{2}$ by 1 $\frac{1}{2}$ machine bolts, at \$3.90	.98
25 $\frac{1}{2}$ by 2 machine bolts, at \$4.19	1.05
25 $\frac{1}{2}$ by 2 $\frac{1}{2}$ machine bolts, at \$4.47	1.12
25 $\frac{1}{2}$ by 3 machine bolts, at \$4.76	1.19
25 $\frac{1}{2}$ by 3 $\frac{1}{2}$ machine bolts, at \$5.04	1.26
25 $\frac{1}{2}$ by 4 machine bolts, at \$5.33	1.33
25 $\frac{1}{2}$ by 1 machine bolts, at \$2.70	.68
25 $\frac{1}{2}$ by 1 $\frac{1}{2}$ machine bolts, at \$2.70	.68
25 $\frac{1}{2}$ by 2 machine bolts, at \$2.90	.73
25 $\frac{1}{2}$ by 2 $\frac{1}{2}$ machine bolts, at \$3.09	.77
25 $\frac{1}{2}$ by 3 machine bolts, at \$3.29	.82
25 $\frac{1}{2}$ by 3 $\frac{1}{2}$ machine bolts, at \$3.48	.87
25 $\frac{1}{2}$ by 4 machine bolts, at \$3.68	.92
12 $\frac{1}{2}$ by 6 machine bolts, at \$4.46	.54
12 $\frac{1}{2}$ by 7 machine bolts, at \$4.85	.58
12 $\frac{1}{2}$ by 8 machine bolts, at \$5.24	.63
12 $\frac{1}{2}$ by 10 machine bolts, at \$6.02	.72
12 $\frac{1}{2}$ by 12 machine bolts, at \$6.80	.82

T. M. DUFFY.

No. 2306.

AUGUST 4, 1917.

The A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

This is confirming order for materials, equipment, etc., furnished us from your Toledo stock:

1 lumber wagon, No. 41, 2½-inch hollow-iron axle, 2½ by 4½ by 12 foot reach	\$90
1 lumber wagon, No. 22, 3½ by 5 inch wood axle, 2 by 4 by 14 foot reach	90
1 lumber wagon, No. 8, 4 by 5½ inch wood axle, 2 by 4½ by 12 foot reach	90
1 lumber wagon, No. 9, 4 by 5½ inch wood axle, 3½ by 14 foot round reach	90
1 lumber wagon, No. 6, 4 by 5½ inch wood axle, 2 by 4 by 16 foot reach	90
1 lumber wagon, No. 5, 4 by 5½ inch wood axle, 2½ by 4½ by 16 foot reach	90

T. M. DUFFY.

No. 2609.

AUGUST 9, 1917.

The A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

1 W. & L. E. Gurley 24-inch Y level, No. 17	\$115. 00
1 Beckman transit, No. 7637-22	209. 00
1 Beckman transit, No. 7640-26	209. 00
1 Beckman transit, No. 7636-27	209. 00
1 Beckman transit, No. 7638-28	209. 00
6 heavy Philadelphia rods (your letters E, F, G, H, I, J)	72. 00
4 light Philadelphia rods (your letters K, L, M, N)	41. 60
2 6-foot ranging rods (your letters O, P)	3. 20
35 8-foot ranging poles (your letters Q, R, S)	5. 40
7 10-foot ranging poles (your letters T, U, V, W, X, Y, Z)	14. 00
1 250-foot surveying tape (your letter A)	6. 00
3 500-foot surveying tape (your letters B, C, D)	36. 00
1 Buff & Berger transit, No. 2249	200. 00
1 Beckman level, No. 1070	100. 00
1 W. & L. E. Gurley level, No. 4433	100. 00
1 Beckman level, No. 926	100. 00

T. M. DUFFY.

No. 2610.

AUGUST 9, 1917.

The A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

1 Beckman transit, No. 4482	\$200
1 Beckman transit, No. 4483	200
1 combination level and transit, Wissler, No. 1231	210
9 100-foot steel tapes, at \$6	54
1 Beckman transit, No. 7639	200
1 Beckman level, No. 6696	114
1 Beckman level, No. 6608	114

This is confirmation of orders given you for levels, transit, and tapes.

T. M. DUFFY.

No. 3455.

AUGUST 17, 1917.

The A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

1,560 pieces ¾ inch square, 14 feet long.	
180 pieces ⅞ inch round, 30 feet or random.	
210 pieces ¾ inch square, 30 feet long.	
4,000 lineal feet, ⅞ inch round.	
1,300 lineal feet, ¾ inch round.	
10 bundles of No. 16 black annealed wire.	

Confirming order

T. M. DUFFY.

No. 3538.

AUGUST 18, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

1,262 pieces  $\frac{3}{4}$  inch square by 14 feet long, soft steel.  
 210 pieces  $\frac{3}{4}$  inch by 30 feet long, soft steel.  
 180 pieces  $\frac{1}{2}$  inch round by 30 feet long, soft steel.  
 4,000 linear feet  $\frac{1}{2}$  inch round, stock length, soft steel.  
 1,500 linear feet  $\frac{3}{8}$  inch round, stock length, soft steel.  
 10 rolls No. 14 annealed wire, 1,000 pounds.

No. 3581.

AUGUST 20, 1917.

The A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

This is a confirming order for materials, equipment, etc., furnished from your Toledo stock.

Car Grand Trunk, 30242:

5 large tool boxes.....	\$15.00	\$75.00
4 water barrels.....	.75	3.00

Car M. K. &amp; T., 60980:

16 large tool boxes, Nos. 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64.....	15.00	240.00
	T. M. DUFFY.	

No. 3582.

AUGUST 20, 1917.

The A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

This is a confirming order covering five drafts paid to Fishel & Marks.

July 4, 1917, P. R. R. 852781, 70-pound relaying rails and angles, 105,827 pounds, at \$70.....	\$3,307.00
July 5, 1917, locomotive.....	4,250.00
July 4, 1917, N. & W. 43739, 70-pound relayers and angles, 110,300 pounds, at \$70.....	3,446.88
July 9, 1917, P. L. 801314, 70-pound relaying rails and angles, 114,000 pounds, at \$70.....	3,562.50
July 10, 1917, P. L. 877136, 70-pound relayers, 100,900 pounds, at \$70.....	3,153.13
1 frog, 70 pounds, at \$5.....	35.00
Total.....	17,754.60

T. M. DUFFY.

No. 3585.

AUGUST 20, 1917.

THE A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

This is a confirming order covering draft paid to P. B. Warner.

July 11, 1917, 1 gasoline locomotive, \$975.

T. M. DUFFY.

No. 3656

AUGUST 21, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

6/23 50 pieces 1 by 4 14 foot, new, 334 foot, at \$49, \$11.47.

Confirming your invoice of July 25, 1917. Material has been received.



No. 3659.

AUGUST 21, 1917.

THE A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8:

Office supplies and fixtures as per attached list:

3 M form 31 remittances, at \$1.60	\$4.80
3 M form 18 soft white letterheads, at \$1.40	4.20
5 4-drawer, Mellink correspondence files, at \$40	200.00
1 Shaw, Wakker metal correspondence file (B. F. Wade)	16.00
1 Hendricks commercial register	10.00
2 boxes carbon paper for typewriter, at \$1.50	3.00
6 M white letterheads, at \$2.40	14.40
100 plain white envelopes, at \$0.75	.75
3,200 stamped envelopes, at \$22.56	72.19
7 M yellow letterheads, unruled, at \$1.80	12.60
3 M applications for employment, at \$3.20	9.60
1 Bristow radical distributor	16.00
2 M correspondence folders, at \$8	16.00
25 M checking sheets, at \$3	75.00
2 M return invoices for correction, at \$2.25	4.50
500 gasoline report cards, at \$2	10.00
1,500 team-time cards, at \$2.30	3.45
2 denominators, at \$25	50.00
1 dozen denominators pads	1.00
50 M form 20 pay receipt cards, at \$28	28.00
1 railway guide	1.00
1 4-drawer wood file cabinet	8.00
10 M employees record cards, at \$1.20	12.00
8 blocks, thumb tacks, colored, at \$0.80	6.40
2 No. 49 numbering machines, at \$5	10.00
1 Ideal multiplex machine	7.50

No. 3660.

AUGUST 21, 1917.

A. BENTLEY & SONS Co.,  
Toledo, Ohio, Cantonment No. 8:

Please furnish this company with the following articles and send invoices in quadruplicate (invoice must be itemized in exact accordance with this order.) Order number and special marks must appear on all packages and bills. The acceptance of this order constitutes an agreement to furnish the articles complete as specified. All to be in accordance with the plans and specifications of the United States for cantonments and satisfactory to the officer in charge:

28 pieces 2 by 10, 16 feet, 746 feet, at \$37	\$27.60
1 piece 2 by 10, 12 feet, at \$37	.74
6 pieces 4 by 4, 16 feet, 128 feet, at \$37	5.38
7 pieces 2 by 4, 14 feet, 65 feet, at \$37	2.40
48 bolts $\frac{1}{2}$ by 4 inches, at 4 cents	1.92
15 No. 20 S. Com. spikes, at 5 cents	.75

38.79

Confirming your invoice of July 25, 1917. Material has been received.

Please state on all bills point and route of shipment and whether freight charges prepaid or collect. Mail a shipping notice in duplicate on day of shipment to this office, if shipment is made by transportation company. If local delivery, make delivery ticket in duplicate and be sure to get delivery receipt signed. Mark each package.

Yours, truly,

THE A. BENTLEY & SONS Co.,  
By \_\_\_\_\_, Purchasing Agent.

No. 3918.

AUGUST 24, 1917.

THE A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

108,100 pounds, 70-pound relaying T rails, at \$70, \$3,378.13.

Shipped in car P. R. R. 304990.

This confirms order placed with Fishel & Marks, Cleveland, Ohio, as appearing on their invoice to you dated July 3, 1917. This shipment was made S/D against B/L, which S/D you paid.

T. M. DUFFY,  
Per G. E. W.

No. 3920.

AUGUST 24, 1917.

THE A. BENTLEY &amp; SONS Co.

*Toledo, Ohio, Cantonment No. 8:*

1 car 70-pound relaying T rails with angles, 108100, at \$70, \$3,378.13.

Shipped in car P. R. R. 304990.

This confirms order placed with Fishel & Marks, Cleveland, Ohio, as appearing on their invoice to you, dated July 3, 1917. This shipment was made S/D against B/L, which S/D you paid.

No. 4258.

AUGUST 27, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

Aug. 10, 2,000 white letterheads.....	\$5.00
4,000 yellow letterheads.....	7.40
4,000 stamped envelopes, No. 9.....	91.28
Aug. 20, 1 tube, 33 by 4½.....	5.45
Aug. 24, 500 sheets, Form 48.....	1.50
Aug. 1, 1 tire, 33 by 4½.....	36.30

Confirming order.

No. 4339.

SEPTEMBER 5, 1917.

THE A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

5 pieces Ransom concrete spouts, 16-foot; 1 piece Ransom concrete spouts, 20-foot; 10 pieces concrete spouts, 8-foot; total, 180 feet, at \$4.....	\$720
1 small bar bender.....	65
1 Smith concrete mixer with boiler No. 39 and engine No. 470 and fittings attached.....	1,750
1 Monigan 2-drum hoisting engine with boiler No. 10 and fittings.....	1,250
	<u>3,785</u>

Shipped from Toledo July 31, 1917. Confirmation order.

T. M. DUFFY.

No. 4458.

AUGUST 31, 1917.

THE A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

Aug. 22, 10,000 ruled yellow letterheads.....	\$21.00
Aug. 22, 2,000 long-ruled bill heads.....	5.00
Aug. 22, 500 short ruled bill heads.....	.75

Ordered by Wilson &amp; Barrett.

Confirming order covering your invoice August 28.

T. M. DUFFY,  
Per G. E. W.

No. 4512.

SEPTEMBER 3, 1917.

THE A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

- 1 Smith self-load mixer, boiler No. 51, and engine No. 403 attached.
  - 1 Smith self-load mixer No. 111, with boiler No. 53, engine No. 305 attached.
  - 1 Milwaukee self-lock mixer, with boiler No. 43, and engine No. 407 attached.
- Price, \$1,800 each, f. o. b. cars Toledo, Ohio.  
Confirming invoice August 18, 1917.

T. M. DUFFY.

No. 4515.

SEPTEMBER 3, 1917.

THE A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

- 44 pieces 1 inch round by 14 feet 9 inches straight steel.
  - 44 pieces 1 inch round by 14 feet 6 inches straight steel.
  - 78 pieces 1 inch round by 13 feet bent steel.
  - 78 pieces 1 inch round by 16 feet 3 inches bent steel.
  - 52 pieces 1 inch round by 13 feet 9 inches bent steel.
  - 52 pieces 1 inch round by 15 feet bent steel.
  - 8 pieces 1 inch round by 27 feet 6 inches straight steel.
  - 4 pieces 1 inch round by 18 feet bent steel.
  - 24 pieces 1½ inches round by 19 feet bent steel.
  - 12 pieces 1½ inches round by 27 feet 6 inches straight steel.
  - 48 pieces 1 inch round by 4 feet straight steel.
  - 192 pieces 1 inch round by 5 feet straight steel.
  - 28 pieces 1 inch round by 27 feet 6 inches straight steel.
  - 60 pieces 1½ inches round by 15 feet straight steel.
  - 4 pieces 1½ inches round by 16 feet bent steel.
  - 8 pieces 1½ inches round by 16 feet 3 inches bent steel.
  - 8 pieces 1½ inches round by 16 feet 6 inches bent steel.
  - 8 pieces 1½ inches round by 16 feet 9 inches bent steel.
  - 8 pieces 1½ inches round by 17 feet bent steel.
  - 8 pieces 1½ inches round by 17 feet 3 inches bent steel.
  - 8 pieces 1½ inches round by 17 feet 6 inches bent steel.
  - 8 pieces 1½ inches round by 17 feet 9 inches bent steel.
  - 12 pieces 1½ inches round by 18 feet bent steel.
  - 15 pieces 1½ inches round by 28 feet 6 inches bent 4-inch hook steel.
  - 81 pieces ¾ inch round by 5 feet 10 inches bent stirrups.
  - 15 pieces 1 inch round by 28 feet bent 4 hooks.
  - 81 pieces ¾ inch round by 5 feet 2 inches bent stirrups.
- Price, \$5.15 base f. o. b. cars Toledo, Ohio, plus \$8 per ton bending charge for steel bent. Confirming order.

T. M. DUFFY.

No. 4861.

SEPTEMBER 10, 1917.

THE A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

- 22 pieces ¾-inch round, 10 feet 6 inches.
- 11 pieces ¾-inch round, 11 feet.
- 47 pieces ¾-inch round, 20 feet.
- 2 pieces ¾-inch round, 36 feet.
- 2 pieces ¾-inch round, 32 feet 3 inches.
- 8 pieces ¾-inch round, 10 feet 6 inches.
- 16 pieces ¾-inch round, 6 feet.
- 23 pieces ¾-inch round, 21 feet 6 inches.
- 46 pieces ¾-inch round, 13 feet 7 inches.
- 16 pieces ¾-inch round, 31 feet 6 inches.
- 224 pieces ¾-inch round, 10 feet 6 inches.
- 224 pieces ¾-inch round, 5 feet.

32 pieces  $\frac{3}{4}$ -inch round. 31 feet 6 inches.

32 pieces  $\frac{3}{4}$ -inch round. 21 feet 6 inches.

24 pieces  $\frac{1}{2}$ -inch round. 3 feet 9 inches.

Price, \$5.15 per 100 base f. o. b. cars Toledo, plus \$8 per ton bending charge.  
Confirming order.

T. M. DUFFY.

No. 4936.

SEPTEMBER 10, 1917.

THE A. BENTLEY & SONS Co.,

Toledo, Ohio, Cantonment No. 8:

1 five, 32 by 4, E 1020700.....	\$26
1 five, 32 by 4, E 1010268.....	26
	<hr/> 52

Confirming your invoice of August 25, 1917.

No. 4978.

SEPTEMBER 10, 1917.

THE A. BENTLEY & SONS Co.,

Toledo, Ohio, Cantonment No. 8:

Item.	Number pieces.	Size.	Length.	Remarks.
1.....	2	$\frac{3}{4}$ inch round.....	37 feet.....	Bent as per detail.
2.....	2	do.....	33 feet 4 inches.....	3-inch hookseach end.
3.....	8	$\frac{3}{4}$ inch round.....	10 feet 6 inches.....	Straight.
4.....	16	$\frac{3}{4}$ inch round.....	6 feet.....	Bent as per detail.
5.....	23	$\frac{3}{4}$ inch round.....	21 feet 6 inches.....	Straight.
6.....	46	do.....	13 feet 7 inches.....	Bent as per detail.
7.....	16	$\frac{3}{4}$ inch round.....	31 feet 6 inches.....	Straight.
8.....	224	$\frac{3}{4}$ inch round.....	10 feet 6 inches.....	Do.
9.....	224	do.....	5 feet.....	Bent as per detail.
10.....	32	$\frac{3}{4}$ inch round.....	31 feet 6 inches.....	Straight.
11.....	32	do.....	21 feet 6 inches.....	Do.
12.....	24	$\frac{3}{4}$ inch round.....	3 feet 9 inches.....	Do.

Price on above, \$5.15 per hundredweight base and \$8 per ton bending charge.  
Confirming order.

T. M. DUFFY.

No. 5687.

CONSTRUCTING QUARTERMASTER,

Camp Taylor, Louisville, Ky., Cantonment No. 8:

One conduit pole line switch, for use on series lighting circuit at hospital,  
\$47.88, plus the express charges, which have been paid in shipping the switches  
from Boston to Louisville.

Pole line switches.

Confirming order.

T. M. DUFFY.

No. 6341.

SEPTEMBER 28, 1917.

A. BENTLEY & SONS Co.,

Toledo, Ohio, Cantonment No. 8:

July 26, invoice No. 56124:

$\frac{1}{2}$ gallon yellow lead paint.....	\$0.30
$\frac{1}{2}$ pound drop black in Japan.....	.15

Total .....	.45
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Confirming Order No. 6134. Material has been received.

T. M. DUFFY.

No. 6342.

SEPTEMBER 29, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

3 32 by 4 inch red top casings, at \$36	\$78.00
3 32 by 4 inch Fisk tubes, at \$4.35	13.05
Total	91.05

Confirming your invoice of July 26. Material has been received.

T. M. DUFFY.  
Per SHREIMPLER.

No. 6571.

OCTOBER 2, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

1,000 sheets white letter heads.  
2,000 yellow stamped envelopes, 4 by 9½ inches.  
Confirming phone to you to-day.

T. M. DUFFY,  
Per E.

No. 7805.

OCTOBER 25, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

2,000 No. 8 stamped envelopes	\$45.12
2,000 ruled yellow letterheads	4.00
1,000 white letterheads	4.32
Total	53.44

Ordered by Graham. Confirming order.

T. M. DUFFY.  
Per E.

No. 7808.

OCTOBER 25, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

One thousand white letterheads, at \$4.32.  
Ship by express. Confirming our wire to you to-day. Ordered by Kiger.  
T. M. DUFFY.  
Per E.

No. 8132.

NOVEMBER 5, 1917.

A. BENTLEY &amp; SONS Co.,

*Toledo, Ohio, Cantonment No. 8:*

One thousand stamped envelopes, 9½ by 4½ inches. Confirming wire of November 1.  
Two thousand white letterheads. Confirming wire of November 3.  
Ship by express. Confirming order. Express at once.

T. M. DUFFY.  
Per E.

No. 8968.

NOVEMBER 23, 1917.

A. BENTLEY & SONS Co.,  
*Toledo, Ohio:*

One thousand stamped envelopes (Nov. 2), \$22.50.  
 Confirming your invoice dated November 17, 1917.

T. M. DUFFY.  
 R. S.

No. 9166.

DECEMBER 3, 1917.

A. BENTLEY & SONS Co.,  
*Toledo, Ohio, Cantonment No. 8:*

September 18: 7 12-inch single cable blocks at \$5-----	\$35.00
September 12: $\frac{1}{4}$ by 6-inch cleaves, $\frac{1}{4}$ by 4 $\frac{1}{2}$ -inch bolts, at 50 cents-----	6.00
Total -----	41.00

Confirmation covering your invoice of September 18.

E. M. SHANNON.

Mr. McKENZIE. We will adjourn to meet at the Community House at Camp Sherman, at 9.30 a. m., Monday, November 3, 1919.

(And thereupon at 6 o'clock p. m. the committee adjourned to meet at the Community House, Camp Sherman, Chillicothe, Ross County, Ohio, at 9.30 o'clock a. m. Monday, November 3, 1919.)



SUBCOMMITTEE No. 2 (CAMPS)  
OF THE SELECT COMMITTEE ON  
EXPENDITURES IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,

*Camp Sherman, Ohio, Monday, November 3, 1919.*

The committee met at 10 o'clock a. m. at the Community House at Camp Sherman, Ohio, pursuant to adjournment taken on Saturday last, Hon. John C. McKenzie (chairman), presiding. Also present: Hon. Roscoe C. McCulloch and Hon. Frank E. Doremus.

**TESTIMONY OF MR. ZACK JAMES, 736 EAST FOURTH STREET,  
CHILLICOTHE, OHIO.**

The witness was duly sworn by Mr. McKenzie.

Mr. McCULLOCH. Your name is Zack James?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. You live at 736 East Fourth Street, Chillicothe, Ohio?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. Were you employed on Camp Sherman?

Mr. JAMES. Yes, sir; I was employed here under both contractors.

Mr. McCULLOCH. You were a carpenter?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. A forman or just—

Mr. JAMES (interposing). Just a carpenter.

Mr. McCULLOCH. You worked as a carpenter?

Mr. JAMES. A journeyman carpenter.

Mr. McCULLOCH. When did you start to work?

Mr. JAMES. I couldn't give you the exact date; sometime about the 10th or 12th, I think, of July, 1917.

Mr. McCULLOCH. And you started to work with the Bentley Construction Co.?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. Who was your foreman?

Mr. JAMES. Mr. Pomert, of Greenfield.

Mr. McCULLOCH. As I understand you, you worked about 11 weeks for the Bentley Construction Co.?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. And about 10 weeks for the McGrath Co.

Mr. JAMES. Something like that; 9 or 10 weeks.

Mr. McCULLOCH. Tell the committee what you observed as to the number of men on the jobs; were there too many men?



Mr. JAMES. A good many all the time; more than there should have been.

Mr. McCULLOCH. How many men should there have been, would you say?

Mr. JAMES. Well, that would be pretty hard for me to state, further than this: Lots of times they were in each other's way, and I think about one-third less men would have done the work. Perhaps half would have done the work in the same length of time.

Mr. McCULLOCH. How many men were in your gang, about?

Mr. JAMES. Well, they ran anywhere from 22 to 28.

Mr. McCULLOCH. How many of them were carpenters?

Mr. JAMES. Well, now, I couldn't state that; I think, perhaps, 8 or 10 of them I would judge to be carpenters.

Mr. McCULLOCH. And the rest of them?

Mr. JAMES. Just saw-and-hatchet carpenters.

Mr. McCULLOCH. What do you say as to the effect of having inexperienced men doing carpenter work; did it hasten the work or delay it?

Mr. JAMES. I told my boss a time or two if he would let me pick out eight out of his gang and let me lay them out the work they would do more work than his entire gang. He looked at me and said he didn't know but what I was right.

Mr. McCULLOCH. What did he do about it?

Mr. JAMES. He wasn't supposed to discharge anybody.

Mr. McCULLOCH. He wasn't supposed to discharge anybody?

Mr. JAMES. He was not supposed to discharge them, but to keep them on the pay roll.

Mr. McCULLOCH. What did you understand about discharging the men?

Mr. JAMES. I didn't understand anything about that. About the graft, I didn't know anything about that and didn't pay any attention to it; I was always used to doing my work and earn my money: I was always used to doing that.

Mr. McCULLOCH. Do you know whether there was a rule against discharging men?

Mr. JAMES. No, sir; I couldn't say anything about that.

Mr. McCULLOCH. But you do say there were too many men on the work?

Mr. JAMES. I do say there were entirely too many men on the job.

Mr. McCULLOCH. What do you say as to the effect of having too many men on the work and inexperienced men from getting the work done quicker?

Mr. JAMES. For the certain reason that they give me a job—I don't want to brag on what I can do, but I can do almost anything that anybody else can do—when they gave me a job the other fellows would stand around and then they would pitch in and help me out and then we would all be out. Where if we could have had two or three experienced carpenters we could do it and work ahead again; they bothered you.

Mr. McCULLOCH. Did they bother you?

Mr. JAMES. Took your work right away from you?

Mr. McCULLOCH. Is it your opinion as an experienced carpenter that this work could have been done quicker if you had experienced men on the job and less of them?

Mr. JAMES. Yes, sir; one half of the men and experienced men on the job would have done the job in much less time than it was done.

Mr. McCULLOCH. You called this matter to the attention of your foreman, did you?

Mr. JAMES. Oh, a time or two.

Mr. McCULLOCH. And you complained about it or you—

Mr. JAMES. Yes; I had my foreman and two or three men and we used to saw the weather boarding—they used to saw the weather boarding, and I would ask my boss to take the men away from there, that they were idling and that we could do more than they were all doing.

Mr. McCULLOCH. What did he do?

Mr. JAMES. He didn't listen to me and didn't take them away. Sometimes he would listen to me and take them away. I don't know what he would put them at.

Mr. McCULLOCH. Did he listen to you?

Mr. JAMES. Not on the whole as a job, but when I was doing a little job on the weather boarding or anything of that kind there would be a man there or two that would be unnecessary, and I requested that he take them away and he did it.

Mr. McCULLOCH. But he didn't take them off the job?

Mr. JAMES. He didn't take them off the job; no. He went ahead and put them at something else.

Mr. McCULLOCH. What, if anything, did you notice or observe about the men idling; you say you did your work; what about the others?

Mr. JAMES. Oh, you will find that in all cases where there is so many.

Mr. McCULLOCH. Was that true in this case?

Mr. JAMES. No man can successfully handle more than 8 or 10 men.

Mr. McCULLOCH. Yet there were 28 in your gang?

Mr. JAMES. As high as 28 and 22.

Mr. McCULLOCH. And you think they were unnecessary?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. And in each other's way?

Mr. JAMES. Yes, sir; and unnecessary on the job.

Mr. McCULLOCH. And you think it was an unnecessary expense, do you?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. And resulted in delaying the work?

Mr. JAMES. Yes, sir; I do.

Mr. McCULLOCH. And you called this matter to the attention of the foreman and nothing was done about it, is that right?

Mr. JAMES. Nothing was done about it.

Mr. McCULLOCH. What, if anything, did you observe in regard to the waste of materials?

Mr. JAMES. Oh, there was lots of waste of lumber and nails—any amount of it.

Mr. McCULLOCH. How about other hardware?

Mr. JAMES. I couldn't say in regard to the piping and plumbing and such things as that, and such material I couldn't say anything about that; I didn't pay any attention to it. But I know the lumber and nails was a willful waste.

Mr. McCULLOCH. You appear to me to be a very practical man and you have had experience; I wish you would give the committee your opinion—it could only be your opinion based on your experience and from what you have observed—give us some percentage of the waste of material. That is, you made reference to the time, that it could have been done quicker. Now, give us some idea of the amount of waste of time and waste of the materials.

Mr. JAMES. A percentage?

Mr. McCULLOCH. You suggested about the lumber and nails; let us deal with those two propositions.

Mr. JAMES. I think I would be safe in saying this, that there was 25 per cent or more of the lumber wasted. Now, I will tell you a little incident; my boss had me putting up partitions throughout the buildings; you put up your partitions from the lower story, the lower story was 9 feet—took a 9-foot studding and put up there. I said, "Where will I get the scantling?" He said, "There is a pile out there." I said, "That is all 14 and 16 feet." He said, "I can't help it; cut them off; that is all we have." That would leave a 7 or a 5-foot piece on each one. I took my trestle out there and cut those out there so as not to have the pieces bothering me on the inside. In about 15 or 20 minutes the scavengers—we call them the scavengers—would come along and take them to the scrap pile and pile it up.

Mr. McCULLOCH. And you think that was wasted?

Mr. JAMES. Five and seven feet wasted on a board.

Mr. McCULLOCH. And you think that was all wasted?

Mr. JAMES. And if we wanted a piece they would say, "There is a piece out there; cut it out of that."

Mr. McCULLOCH. Who would say that? Would the foreman say that?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. So this waste was within the knowledge of the foreman?

Mr. JAMES. I couldn't say about that, whether it was within the knowledge of anybody else but him or not. But I had heard him tell the lumber boss we want so and so, and he would say, "We can't get it there to-day; go ahead and do the best you can." That meant anything that you could get hold of.

Mr. McCULLOCH. And so they wasted the material in this way?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. And he knew all about it?

Mr. JAMES. Yes, sir; he told me to cut that out of the long scantling. He said, "We haven't anything else."

Mr. McCULLOCH. So the knowledge of this waste was within the knowledge of the contract?

Mr. JAMES. Yes; it couldn't help it.

Mr. McCULLOCH. How about the idleness, or the waste of labor?

Mr. JAMES. I couldn't say about the others, but my gang didn't lose but little time, because my boss was rather on the push. Mr. Moeller told me one day that I got in the wrong gang. He said "let us do something" one day.

Mr. McCULLOCH. What made him say that?

Mr. JAMES. I think we had half of the time we should have been working harder, but we did a good deal of work. We built four

barracks and the officers' buildings and the annex to the hospital. We built the annex after we worked at the hospital. We done a powerful sight of work.

Mr. McCULLOCH. But you think it could have been done more effectively if you had 8 or 10 good men?

Mr. JAMES. It could have been done better with 8 or 10 good men; yes.

Mr. McCULLOCH. And therefore there must have been waste.

Mr. JAMES. Must have been.

Mr. McCULLOCH. And idleness?

Mr. JAMES. There must have been too many men on the job.

Mr. McCULLOCH. Now, was this waste and idleness and the manner in which the men worked within the knowledge of the foreman?

Mr. JAMES. It couldn't help it.

Mr. McCULLOCH. He couldn't help but know it?

Mr. JAMES. He couldn't help but know it. I didn't pay much attention to it. I worked, I was always used to it, and I worked on this work. I didn't pay much attention to that question of idleness, only I know there were idlers.

Mr. McCULLOCH. You look like that sort of a man. You knew they were idling?

Mr. JAMES. Yes; I knew they were idling.

Mr. McCULLOCH. This idling could not have been going on without the contractor's agents knowing about it?

Mr. JAMES. No, sir; because they sent in men all the time when they were idling around.

Mr. McCULLOCH. And the contractor's agents knew about it?

Mr. JAMES. Couldn't help it, of course.

Mr. McCULLOCH. Have you any specific instances of waste or idleness that you desire to bring to the attention of the committee; any specific thing that you have in mind that you think would throw any light on this situation?

Mr. JAMES. No; I wasn't much of a man to meddle into things; there were hundreds of things on the ground that I didn't see; I didn't meddle.

Mr. McCULLOCH. I think that is all.

Mr. McKENZIE. Mr. Doremus, do you want to ask anything?

Mr. DOREMUS. Yes. You are a practical carpenter?

Mr. JAMES. I don't want to boast of myself, but I contracted for 25 years in a small way in the town.

Mr. DOREMUS. You have done contracting yourself?

Mr. JAMES. Yes, sir.

Mr. DOREMUS. Did you ever work on any very large jobs before you came to Camp Sherman?

Mr. JAMES. No; my work has been principally tenant houses, four and five and six and eight roomed houses and from that up.

Mr. DOREMUS. Have you any idea of the amount of lumber that went into Camp Sherman?

Mr. JAMES. No; I wouldn't say about that.

Mr. DOREMUS. You estimated the waste on lumber at 25 per cent?

Mr. JAMES. Yes, sir.

Mr. DOREMUS. If 50,000,000 feet of lumber went into this job you would estimate the waste at 12,500,000 feet, is that correct?

Mr. JAMES. Well, if that would figure out that way; I say 25 per cent. I think I am safe in saying that.

Mr. McCULLOCH. Did the conditions you have detailed as to the waste of material and the waste of time continue all the time that you were on the job?

Mr. JAMES. Yes, sir.

Mr. McCULLOCH. Under both contractors?

Mr. JAMES. Yes, sir.

**TESTIMONY OF MR. W. B. McCORKLE, R. F. D. NO. 1, HIGBY, OHIO.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is W. B. McCorkle?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. You live on a farm?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Near Higby?

Mr. McCORKLE. Higby is my post office; I get my mail at Higby.

Mr. McCULLOCH. R. F. D. No. 1?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Sherman?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. How long did you work here?

Mr. McCORKLE. When the foremen were first organized?

Mr. McCULLOCH. That would be what month?

Mr. McCORKLE. The first month.

Mr. McCULLOCH. About July?

Mr. McCORKLE. When they first started?

Mr. McCULLOCH. 1917?

Mr. McCORKLE. Yes; when they first started at the tool houses.

Mr. McCULLOCH. Mr. McCorkle, tell us how long you worked on the camp?

Mr. McCORKLE. I couldn't say altogether; but off and on until the job was practically over.

Mr. McCULLOCH. Did you work for the Bentley Construction Co.?

Mr. McCORKLE. Yes, sir; both of them.

Mr. McCULLOCH. And the McGrath Construction Co.?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Did you work for the McGraths until they finished up their contract, did you say?

Mr. McCORKLE. Not quite, no; but so near that a bunch of us quit. I worked for George Keeney on the last job, and we were putting in these grease cups; they sent us away from the sheds down there, and a bunch of us that were together went and called for our time.

Mr. McCULLOCH. So that you were on the job practically all the time of the construction here?

Mr. McCORKLE. Most of the time. I was off for a time. When they got that through here I went away and stayed for awhile and came back again.

Mr. McCULLOCH. But your work——

Mr. McCORKLE. All the time I worked anywhere during the camp I worked here.

Mr. McCULLOCH. And that was practically all the time, and practically to the end?

Mr. McCORKLE. I was here to the end.

Mr. McCULLOCH. What do you say to the committee as to whether or not there were too many men on the job; on the various jobs?

Mr. McCORKLE. On lots of jobs there were too many men. On this gang, when they run out of employment they would send them some place else, and they would get in each other's way.

Mr. McCULLOCH. Are you a practical carpenter?

Mr. McCORKLE. No, sir.

Mr. McCULLOCH. You were on the rolls as a carpenter?

Mr. McCORKLE. Yes, sir; I worked right smart as a carpenter, but I am no carpenter. I never said I was. I am no carpenter; I admit to it. I never said I was.

Mr. McCULLOCH. But you were employed as a carpenter?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. And paid carpenter's wages?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. You say there were too many men on the job at times?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. What would be the effect of having too many men on the job?

Mr. McCORKLE. You couldn't work. Suppose you lay your board here and cut it for a place and there would be three or four other fellows have a board for the same place.

Mr. McCULLOCH. And that resulted in delay?

Mr. McCORKLE. Well, you would come back, and another fellow had the place fixed, and you couldn't use your board then; it was cut for that place.

Mr. McCULLOCH. Do you say that having too many men on the job resulted in waste?

Mr. McCORKLE. Why, certainly.

Mr. McCULLOCH. And did it result in delay?

Mr. McCORKLE. Why, certainly.

Mr. McCULLOCH. Give us some idea as to the delay; in your opinion how much was it?

Mr. McCORKLE. I will give you one instance. We left that building that we were working on, that one building that collapsed because it had too many men.

Mr. McCULLOCH. Were you on that building?

Mr. McCORKLE. No, sir; I just got away.

Mr. McCULLOCH. Did you see it fall?

Mr. McCORKLE. Yes; I was right below it. The next building.

Mr. McCULLOCH. And you will say to the committee that that building collapsed because there were too many men on the building?

Mr. McCORKLE. Yes; too much weight.

Mr. McCULLOCH. What was the reason for this; was it mismanagement?

Mr. McCORKLE. The way it looked to me there wasn't any system to the work; didn't have the men regulated the way they ought to.

Mr. McCULLOCH. The foremen were there?

Mr. McCORKLE. Yes; but you couldn't tell really who your foreman was, there were so many; you knew who your foreman was when you went to hunt him up is all.

Mr. McCULLOCH. Were the men idling on the job considerably?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Tell us about that in a word.

Mr. McCORKLE. There was lots of idling; suppose we finished up a job here and they sent us over yonder to do another job and we would stay there a day or two, sometimes two days, the foreman and the whole gang would be idle because we didn't have the foreman to instruct us what to do and how to go to work.

Mr. McCULLOCH. Just idling?

Mr. McCORKLE. That is all you could do. There were men there, and several fellows would work when they were told what to do; sometimes they would work and sometimes they wouldn't.

Mr. McCULLOCH. How about the others?

Mr. McCORKLE. Well, according to the way you were working. Sometimes you had to wait when you got through with one job until something else came up. That is the way it seemed, they were waiting for their orders.

Mr. McCULLOCH. Waiting for orders?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. And doing nothing?

Mr. McCORKLE. We had to make one job last until we got another; until something else came up.

Mr. McCULLOCH. Make the job last and do nothing?

Mr. McCORKLE. Make the job last until you got further orders.

Mr. McCULLOCH. What do you mean; to work slow?

Mr. McCORKLE. Yes; you had to get in your time some place.

Mr. McCULLOCH. What did the foreman say to you?

Mr. McCORKLE. Sometimes he would tell you to work, and sometimes he would tell you to get in the clear.

Mr. McCULLOCH. What did he mean by getting in the clear?

Mr. McCORKLE. So that these men wouldn't see you; the leather-boot men.

Mr. McCULLOCH. Did he tell you that?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. What did he tell you?

Mr. McCORKLE. One time on these houses, these 20 by 20 square houses, I went to the foreman myself and said, "Fellow, we have loafed until we are tired and we want to work." He said, "Ain't you doing well enough?"

Mr. McCULLOCH. Did you work?

Mr. McCORKLE. When we seen a Government man come around we would pick up a 2 by 4 and carry it a little ways and throw it on a pile.

Mr. McCULLOCH. Did he tell you to do that?

Mr. McCORKLE. Yes; he told us to do that; told us to keep busy when they were around.

Mr. McCULLOCH. Your foreman?

Mr. McCORKLE. Our foreman, George Keeney, will speak for himself about that.

Mr. McCULLOCH. He told you to be busy when they were around?

Mr. McCORKLE. Yes. And to go to a building and lock ourselves in and go to sleep.

Mr. McCULLOCH. Were you told to do that by the foreman?

Mr. McCORKLE. Yes; we were told to do that by the foreman.

Mr. McCULLOCH. And who was foreman over him?

Mr. McCORKLE. The field foreman.

Mr. McCULLOCH. Who was he?

Mr. McCORKLE. The foreman over our foreman.

Mr. McCULLOCH. I wish you would tell us specifically when that occurred?

Mr. McCORKLE. On the upper end here, when we were building those 20-foot square houses.

Mr. McCULLOCH. And you would stay there how long?

Mr. McCORKLE. An hour or two.

Mr. McCULLOCH. You were in the building; what were you doing?

Mr. McCORKLE. Just sitting in the building.

Mr. McCULLOCH. You were in the clear?

Mr. McCORKLE. Yes; sometimes maybe the door would be shut and maybe not.

Mr. McKENZIE. How much of the time that you were on this job do you think you worked and how much did you loaf?

Mr. McCORKLE. That is a hard question to answer; I didn't keep a memorandum of it. But on the job up yonder I am satisfied we loafed anyhow two or three weeks, the whole gang. What I call loafing is this way: The foreman came out and would give us a bunch of keys and tell us to try the locks and see which one would fit in the doors; may be the whole gang came along one after the other and did that, and when we got tired of that we went into a building and stayed there for an hour or two, something like that, and maybe longer. And that is the way it went from that time on. And then when they sent us away and down here we couldn't get the plans and we didn't know how they wanted the grease cups fixed and then we didn't work much until we absolutely quit.

Mr. McKENZIE. Would you say you worked 50 per cent of the time?

Mr. McCORKLE. Oh, yes; half of the time.

Mr. McKENZIE. You worked sometimes?

Mr. McCORKLE. Oh, yes; sometimes we worked good and sometimes we didn't work.

Mr. McCULLOCH. Did this condition of idling on the job with the knowledge of the foreman continue during the both contractors—under both contracts?

Mr. McCORKLE. Off and on it did. Sometimes we would work, and sometimes it was the way I told you.

Mr. McCULLOCH. That is, under both contractors?

Mr. McCORKLE. Under both contractors.

Mr. McCULLOCH. Did the conditions change any as you went along?

Mr. McCORKLE. Well, it was a little worse on the last, in my opinion, than the first contract.

Mr. McCULLOCH. In other words, you think you loafed more under McGrath than under the other contractor?

Mr. McCORKLE. Yes; more under McGrath—well, both ways; it wasn't much difference. But we absolutely loafed until we quit.

Mr. McCULLOCH. You are a taxpayer, are you not?

Mr. McCORKLE. Yes, sir.



Mr. McCULLOCH. I want to ask you this question: This idleness and loafing on the job was within the knowledge of McGrath's agent, was it?

Mr. McCORKLE. It couldn't help but be.

Mr. McCULLOCH. You are sure of that, are you?

Mr. McCORKLE. It couldn't help but be.

Mr. McCULLOCH. And this idling and loafing was within the knowledge of Bentley's agent, was it?

Mr. McCORKLE. It couldn't help but be.

Mr. McCULLOCH. And this matter of idleness, can you give us a specific instance, now, under Bentley—first under the Bentley Construction Co.?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Give us a specific instance. I call your attention to the screen-door proposition?

Mr. McCORKLE. Yes; the screen door and screen windows.

Mr. McCULLOCH. Tell us about that.

Mr. McCORKLE. That was right across this road. We went along first and put on a door, and then we would take the door off—just anything to put in time. We were at that eight or nine days and when we got through we was in worse shape than before. And then they took us over to the hospital.

Mr. McCULLOCH. You say you would put them on and then take them off again?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. McCORKLE. We would put them on and then in about an hour after we put them on, after we first commenced to put the screen doors on, Aubrey's timekeeper came and said, "Here, you have to make this last."

Mr. McCULLOCH. Who did Aubrey represent?

Mr. McCORKLE. The foreman.

Mr. McCULLOCH. And he was Bentley's foreman?

Mr. McCORKLE. Yes; his name was Ed Knight.

Mr. McCULLOCH. And what did he tell you?

Mr. McCORKLE. He said we had to make it last until we got something else to do?

Mr. McCULLOCH. What else did he tell you about that; you say he said you had to make it last.

Mr. McCORKLE. He said if we didn't make it last we would all be out of a job.

Mr. McCULLOCH. And he was Bentley's foreman?

Mr. McCORKLE. No; you don't understand; he was Aubrey's book-keeper. He was a workman like myself, and Aubrey was Bentley's foreman.

Mr. McCULLOCH. Aubrey was Bentley's foreman?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. So that you were acting under the instructions of Bentley's agents?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Was Aubrey a carpenter?

Mr. McCORKLE. I don't believe he was any better than I was.

Mr. McCULLOCH. This idleness, you say, putting on screen doors and taking them off, lasted about 10 days?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. And what were your instructions?

Mr. McCORKLE. We were told to get busy when the officers would happen around.

Mr. McCULLOCH. Your instructions were to get busy and have the appearance of working when the officers were around, is that right?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. How about buildings being built and then immediately torn down?

Mr. McCORKLE. That was on these 20-foot square buildings—about 18 of them.

Mr. McCULLOCH. That was under McGrath?

Mr. McCORKLE. Under the last contractor.

Mr. McCULLOCH. Why was that done?

Mr. McCORKLE. I don't know. They give us orders to rush those up as fast as we could, so that we would have that much more to do—have those started.

Mr. McCULLOCH. What did he tell you about that?

Mr. McCORKLE. He said to rush them up and get that much more done.

Mr. McCULLOCH. What was the reason for that; that was toward the last?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. What was the reason for that? They told you to hurry them up and have that much more started, and if you had a part of them put up they would allow you to complete them?

Mr. McCORKLE. Our foreman told us that.

Mr. McCULLOCH. Your foreman?

Mr. McCORKLE. George Keeney was the foreman.

Mr. McCULLOCH. How many men did he tell; he told you?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. What did he say?

Mr. McCORKLE. He said to get them up as fast as we could; if they came that would be so much more to do. And then they delayed it and done so much loafing and then tore down a whole lot of those buildings.

Mr. McCULLOCH. What instructions did you have about delaying the work after you had gotten this preliminary construction up?

Mr. McCORKLE. Well, the orders was—we were told—the field foreman over our foreman told me we had to wait on further orders. That is what they would tell you when we went to them and asked them what we could be doing—waiting on further orders.

Mr. McCULLOCH. Did any of Bentley's agents tell you that you should hurry this preliminary construction up in order to get these jobs under way and have work?

Mr. McCORKLE. Yes; nothing only our foreman.

Mr. McCULLOCH. Your foreman did tell you that?

Mr. McCORKLE. The foreman did, on those few buildings, those 20-foot square buildings.

Mr. McCULLOCH. And he was your foreman?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. McGrath's foreman?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. And his name was what?

Mr. McCORKLE. George Keeney.

Mr. McCULLOCH. What did he tell you?

Mr. McCORKLE. He said to put up as many as we could. We put up several one night and didn't get them up very good and they blew down.

Mr. McCULLOCH. After you had them up they blew down?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. What did you do then; put them up again?

Mr. McCORKLE. Straightened them up the next morning.

Mr. McCULLOCH. How about putting the sheds over the windows and doors, and tearing them off?

Mr. McCORKLE. We put them on eight different times on one barracks.

Mr. McCULLOCH. Tell us about that.

Mr. McCORKLE. We would put them on and they came along and said it wasn't according to the plan, and then we would take it off and make it as they said, and then they would come along and tell us it wasn't right, they was mixed in the plans; it looked to me like.

Mr. McCULLOCH. They didn't have any plans on the job; did you see any?

Mr. McCORKLE. I didn't on my part. The foreman would come along and tell us how he wanted it done.

Mr. McCULLOCH. Your foreman or the block foreman?

Mr. McCORKLE. The block foreman and our foreman.

Mr. McCULLOCH. And who would tell you the second time?

Mr. McCORKLE. Our foreman.

Mr. McCULLOCH. The same foreman?

Mr. McCORKLE. The same foreman.

Mr. McCULLOCH. What did he say then?

Mr. McCORKLE. He said it wasn't the way the contract called for.

Mr. McCULLOCH. What did you think about that?

Mr. McCORKLE. I thought they got balled up on it.

Mr. McCULLOCH. How many times did you say you took them off and put them on again?

Mr. McCORKLE. Eight different times on one building.

Mr. McKENZIE. You are sure about that, are you?

Mr. McCORKLE. Yes, sir. And I got kind of mad about it.

Mr. McCULLOCH. What did he say about it?

Mr. McCORKLE. He said, "You are getting along all right, ain't you?" You get kind of discouraged that way.

Mr. McCULLOCH. That was the first man's foreman, Bentley's foreman?

Mr. McCORKLE. Bentley's foreman?

Mr. McCULLOCH. Did you think it was necessary, or was it necessary to do that?

Mr. McCORKLE. Well, that is something I couldn't say, whether it was a mistake in the head men or what was the matter.

Mr. McCULLOCH. Doing it over eight times is a good many times.

Mr. McCORKLE. Yes; but whether it was a mistake in the head men or in our foreman, I don't know.

Mr. McCULLOCH. But you changed them eight times?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. What did you do; just tear them off?

Mr. McCORKLE. Knocked them off with our hatchets and threw them away.

Mr. McCULLOCH. Was that a pretty important part of the construction?

Mr. McCORKLE. It was just a little shed over the window?

Mr. McCULLOCH. When you got through was it just about the same?

Mr. McCORKLE. It looked the same to me; I couldn't see any difference. That is what got me disgusted.

Mr. McCULLOCH. This was all done under the instructions of the foreman?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Representing Bentley?

Mr. McCORKLE. The first contractor; yes.

Mr. McCULLOCH. These buildings that you tore down were how many?

Mr. McCORKLE. Seventeen or 18; I don't remember how many.

Mr. McCULLOCH. Why did you tear them down?

Mr. McCORKLE. Took a 2 by 4 and knocked them down.

Mr. McCULLOCH. Just took a 2 by 4 and knocked them down?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Will you tell us about the instance when you loafed for a week waiting for your pay?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Tell us about it.

Mr. McCORKLE. They discharged the foreman or put him to doing carpenter work, and when I went there for my pay there was no pay for me. So I went to the foreman and he gave my time in again for me. So I waited until I got tired waiting, so I goes to the officer of the Army that had charge of that and he told me to wait, and I told him I would rather work than stand in line waiting.

Mr. McCULLOCH. How many men were there in line?

Mr. McCORKLE. Oh, a great line.

Mr. McCULLOCH. Give us some idea.

Mr. McCORKLE. A full gang.

Mr. McCULLOCH. Was there a hundred?

Mr. McCORKLE. May be more and may be less.

Mr. McCULLOCH. But there was a big crowd there waiting for their pay?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. And you couldn't get to the window?

Mr. McCORKLE. No; may be I waited a whole day, and then after I waited a whole day there was nothing for me and he said, "You have to go again."

Mr. McCULLOCH. Would the foreman tell you to go again?

Mr. McCORKLE. Yes, sir; because you had to have your money. But I was tired waiting. So I went to the officer and he gave me this order and said, "You take this here." I went away and went back to the window, and the fellow said, "We told you two or three times there isn't anything here for you," and I showed him this order, and he said to wait a minute, and then he went out and said they would make it all right; and then he went out and took me to this police house and they gave me a check.

Mr. McCULLOCH. How long were you there at that?

Mr. McCORKLE. About a week.

Mr. McCULLOCH. And you went there every day and checked in, and was sent over there by your foreman?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. And was there about a week?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. And you went down there and spent the time at the direction of your foreman?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Whose foreman was it, Bentley's?

Mr. McCORKLE. Yes, sir.

Mr. McCULLOCH. Did you complain about that?

Mr. McCORKLE. I told him I was tired standing around there and would rather work.

Mr. McCULLOCH. What did he say?

Mr. McCORKLE. He said, "You have got to get your money?"

Mr. McKENZIE. You were on the pay roll at that time?

Mr. McCORKLE. Yes, sir.

Mr. McKENZIE. Under the Bentley contract were you told frequently to get into the clear?

Mr. McCORKLE. Yes, sir.

Mr. McKENZIE. Were you told that frequently or just a few times?

Mr. McCORKLE. Yes; when we ran out of something else, like that: that is as we got through and didn't have anything on hand, we had to get in the clear until we got another job.

Mr. McKENZIE. Were you ever told to keep away from the military officers?

Mr. McCORKLE. Yes, sir.

Mr. McKENZIE. Who told you?

Mr. McCORKLE. The foreman.

Mr. McKENZIE. Under which contractor?

Mr. McCORKLE. Both.

Mr. McKENZIE. Under both Bentley and McGrath?

Mr. McCORKLE. Yes, sir.

Mr. McKENZIE. Was there waste of materials there?

Mr. McCORKLE. Yes, sir.

Mr. McKENZIE. Give us some idea as to that?

Mr. McCORKLE. Well, I couldn't say the value—there was an awful waste on the job; waste of lumber.

Mr. McKENZIE. Was it necessary waste or unnecessary?

Mr. McCORKLE. Well, of course, on any job there is more or less waste, but it looked like an awful waste on that job to me.

Mr. McKENZIE. More than there should have been?

Mr. McCORKLE. Certainly; more than there should have been.

Mr. McKENZIE. Was it a waste of lumber?

Mr. McCORKLE. Everything.

Mr. McKENZIE. All kinds of building materials?

Mr. McCORKLE. Yes, sir.

Mr. McKENZIE. Do you care to estimate the percentage?

Mr. McCORKLE. There were nails wasted, and lumber wasted, and lots of things; plaster boards, lots of plaster boards. We would put it on and they would say it wasn't right, or something, and they would tear it off.

Mr. McKENZIE. Are there other instances now that you can bring to the attention of the committee that would throw any light on this situation, about that or anything else?

Mr. McCORKLE. Not at the present time; no, sir.

Mr. McKENZIE. That is all I want to ask for the time being.

Mr. DOREMUS. When did you go to work on Camp Sherman?

Mr. McCORKLE. I went when they first started organizing the foremen.

Mr. DOREMUS. Did you work on the job all the time Bentley was there?

Mr. McCORKLE. I worked off and on all the time.

Mr. DOREMUS. When you say off and on, what do you mean by that?

Mr. McCORKLE. Sometimes I would be off for a time; sometimes I would be off awhile and then come back again.

Mr. DOREMUS. You were not on the pay roll all the time?

Mr. McCORKLE. No, sir; not all the time. If I worked any place while the camp was going on I worked at the camp.

Mr. DOREMUS. And then you worked there awhile on the McGrath contract?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. Was that a steady employment, or off and on?

Mr. McCORKLE. Well, now, with most of them I had pretty steady employment. If I wanted to work myself, I did. But lots of the fellows got cut off and then on again.

Mr. DOREMUS. I am not talking about the other fellows, but about yourself.

Mr. McCORKLE. I had pretty steady work if I wanted to work.

Mr. DOREMUS. Were you discharged at any time?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. Who discharged you?

Mr. McCORKLE. I wasn't discharged under them; under the Red Cross men.

Mr. DOREMUS. You were discharged under the Red Cross men?

Mr. McCORKLE. Yes; I worked for them a little.

Mr. DOREMUS. And they discharged you?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. Were you ever discharged under Bentley?

Mr. McCORKLE. No, sir; I was transferred to another gang, or something like that, is all.

Mr. DOREMUS. Were you ever discharged under McGrath?

Mr. McCORKLE. That is the first man?

Mr. DOREMUS. He followed Bentley.

Mr. McCORKLE. No; not that I know of. We would be sent like this, from one foreman to another, or lay off a gang for a few days or something, and then I would be laid off but not discharged.

Mr. DOREMUS. Then you would come back?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. The only time you were discharged was when you were working for the Red Cross, is that right?

Mr. McCORKLE. Yes, sir; that is the only time I got my money right then as a discharged check.

Mr. DOREMUS. Do you know why they discharged you?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. Well, why was it?

Mr. McCORKLE. Well, sir, if my ideas are clear the man was drunk and I got to laughing at him, is what made him fire me.

Mr. McKENZIE. Is that the reason he gave you?

Mr. McCORKLE. That is, the Red Cross——

Mr. DOREMUS. Was that the reason he gave you?

Mr. McCORKLE. That is the reason he fired me.

Mr. DOREMUS. What did he say when he fired you? Did he say you were fired because you were laughing at him?

Mr. McCORKLE. No; he came in and said something to a little fellow, and the little fellow grabbed a hatchet and said, "I will knock your head off"—and he was a little fellow like this [indicating] and the other fellow weighed about 300—and he ran and fell and I laughed at him.

Mr. McKENZIE. What was his name?

Mr. McCORKLE. I couldn't tell you.

Mr. DOREMUS. What reason did he give you?

Mr. McCORKLE. Blacker was the foreman's name. He told me he fired me. And I went over and showed my check, and the fellow said, "Were you working under him?" And I said, "Ycs, and he fired us," and he took us over and gave us our money.

Mr. McKENZIE. You don't remember his name?

Mr. McCORKLE. No, sir; I worked for him a week or 10 days.

Mr. DOREMUS. What reason did he give you for firing you?

Mr. McCORKLE. He didn't tell us nothing.

Mr. DOREMUS. He just said, "You are fired"?

Mr. McCORKLE. He said, "You are fired; you are fired;" yes, sir.

Mr. DOREMUS. And that is the only time you were fired?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. How many times were you ordered to get in the clear?

Mr. McCORKLE. That I couldn't say.

Mr. DOREMUS. Twice?

Mr. McCORKLE. A good many times.

Mr. DOREMUS. Three times?

Mr. McCORKLE. Yes; a dozen times.

Mr. DOREMUS. That many times?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. More than that?

Mr. McCORKLE. I wouldn't doubt if it was. I went to the field foreman and asked him about going to work, and he would ask me if I wasn't doing well.

Mr. DOREMUS. And you think you were told about getting in the clear at least a dozen times when you were on this job?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. And you would always obey the orders?

Mr. McCORKLE. Yes; generally, and sometimes I would go somewhere and mess around at something.

Mr. DOREMUS. How many times do you think you were in the clear while you were on this job?

Mr. McCORKLE. I couldn't tell you.

Mr. DOREMUS. You didn't go into the clear any oftener than you were told to?

Mr. McCORKLE. No, sir.

Mr. DOREMUS. You think about a dozen times?

Mr. McCORKLE. Maybe more.

Mr. DOREMUS. Well, 15?

Mr. McCORKLE. I couldn't say. We were not working right through; in the morning he would say, "Nothing on hand"; that meant to get into the clear, so what are you going to do?

Mr. DOREMUS. You construed that to be an order to get into the clear?

Mr. McCORKLE. Yes; sometimes he would say to get into the clear, and sometimes he would say there was nothing on hand, and that would be all there was to it.

Mr. DOREMUS. You think you got in the clear a dozen times while you were on the job?

Mr. McCORKLE. I think I did; I don't know how many times.

Mr. DOREMUS. Did you average a half day's work while you were here?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. More than that?

Mr. McCORKLE. Yes; more than that. I don't know how much time we worked; sometimes pretty fast.

Mr. DOREMUS. Sometimes you worked pretty fast?

Mr. McCORKLE. Yes; some foremen were pretty fair that we worked under.

Mr. DOREMUS. Do you think you averaged three-fourths of a day?

Mr. McCORKLE. Yes; under the foremen.

Mr. DOREMUS. During all the time you were on the job?

Mr. McCORKLE. Yes; I expect we did; I expect we did. I wouldn't say positively, but something like that.

Mr. DOREMUS. But you are pretty sure part of the time you were on here you put in three-fourths of a day's work?

Mr. McCORKLE. Yes, sir.

Mr. DOREMUS. You think you did?

Mr. McCORKLE. Sometimes we did a lot of things. And then I guess sometimes we didn't make the company a cent a week.

Mr. DOREMUS. That is all.

#### TESTIMONY OF MR. TAYLOR THORNBERG, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Taylor Thornberg?

Mr. THORNBERG. Yes, sir.

Mr. McCULLOCH. You live at 739 East Fourth Street, Chillicothe, Ohio?

Mr. THORNBERG. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Sherman?

Mr. THORNBERG. Yes, sir.

Mr. McCULLOCH. Under the Bentley Construction Co.?

Mr. THORNBERG. Yes, sir.

Mr. McCULLOCH. As I understand, you began in June, 1917? Is that right?

Mr. THORNBERG. Sometime along there; about that time. I don't remember the date.

Mr. McCULLOCH. How long did you work on the job?



Mr. THORNBURG. Well, I worked something like six or seven months.

Mr. McCULLOCH. What kinds of work did you do?

Mr. THORNBURG. Just common labor.

Mr. McCULLOCH. You were a common laborer?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Did you work for the McGrath Co.?

Mr. THORNBURG. No, sir.

Mr. McCULLOCH. Just worked for Bentley?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. What did you work at; digging ditches?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. How many foremen were you under?

Mr. THORNBURG. I couldn't tell.

Mr. McCULLOCH. About how many; quite a number?

Mr. THORNBURG. Yes; I suppose six or eight different ones.

Mr. McCULLOCH. What was the attitude of the foremen in regard to your working; did they press you to work or——

Mr. THORNBURG (interposing). Well, when we first started that work it was pretty well in the first start, before there came too many, but the longer they came the worse they got.

Mr. McCULLOCH. Now, tell us in a general way in a few words just what the conditions were in regard to working.

Mr. THORNBURG. Well, sometimes the foreman would tell you "Well, don't work too hard; get out in the cornfield; take a sneak out into the cornfield."

Mr. McCULLOCH. Did Bentley's foreman tell you to do that?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. How many of them told you to do that?

Mr. THORNBURG. Most all of them, so far as that is concerned. They didn't any of them seem to take any interest in it. They wanted to get back.

Mr. McCULLOCH. They encouraged you to loaf on the job?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Told you not to work too hard?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Did you ever hide in the cornfield under the orders of your foreman?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. For how long?

Mr. THORNBURG. I expect a week or 10 days.

Mr. McCULLOCH. Did you report in each day?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Were you told each day to go to the cornfield and loaf?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Now, what foreman told you to do that?

Mr. THORNBURG. Shoemaker.

Mr. McCULLOCH. Was he Bentley's foreman?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. That lasted how long?

Mr. THORNBURG. A week or 10 days.

Mr. McCULLOCH. Did you draw your pay during that time?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. The foreman took your time and turned it in?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. And the foreman told you to go to the cornfield and loaf?

Mr. THORNBURG. Yes, sir; and the timekeeper would come around and ask him how many men he had, and he would tell him. The timekeepers didn't tell us.

Mr. McCULLOCH. How many men were there loafing in the cornfield at that time?

Mr. THORNBURG. I think 18 or 20 of us.

Mr. McCULLOCH. And you did nothing, is that it?

Mr. THORNBURG. Nothing at all.

Mr. McCULLOCH. And you drew your pay?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. And loafed there under the directions of Bentley's foreman?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Can you give us any other instances of that kind?

Mr. THORNBURG. No, sir; only sometimes he would tell us: "Don't work too hard; get back."

Mr. McCULLOCH. He would tell you not to work too hard?

Mr. THORNBURG. He would tell us: "Don't work too hard; get back some place where they can't see you."

Mr. McCULLOCH. Who did he mean by "they"?

Mr. THORNBURG. I suppose a field——

Mr. McCULLOCH (interposing). Did they mean the Government officers?

Mr. THORNBURG. They wanted us to get out of sight of them fellows.

Mr. McCULLOCH. What fellows?

Mr. THORNBURG. The Government fellows.

Mr. McCULLOCH. What foreman told you to get out of sight; he told you to get out of sight, did he?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. And told you to loaf?

Mr. THORNBURG. Yes; he says: "You don't have to work." They didn't have the work. "Get back."

Mr. McCULLOCH. Did they have the work?

Mr. THORNBURG. I don't know about that; there was work all over the camp. I don't know. There wouldn't be very much maybe where we was working at the time, but other places there might be plenty if they had taken us there.

Mr. McCULLOCH. What did they say that to you for; to keep you on the job?

Mr. THORNBURG. I don't know what the idea was about that.

Mr. McCULLOCH. But they did tell you to do that?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Did that condition prevail all the time you were on the work?

Mr. THORNBURG. Well, along all the time; right on the start they worked us pretty well.

Mr. THORNBURG. Well, I was months.

Mr. McCULLOCH. What kind

Mr. THORNBURG. Just common

Mr. McCULLOCH. You were a

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Did you work

Mr. THORNBURG. No, sir.

Mr. McCULLOCH. Just worked

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. What did you

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. How many

Mr. THORNBURG. I couldn't

Mr. McCULLOCH. About how

Mr. THORNBURG. Yes; I suppose

Mr. McCULLOCH. What was it  
to your working; did they prefer

Mr. THORNBURG (interposing).  
work it was pretty well in the  
but the longer they came the worse

Mr. McCULLOCH. Now, tell  
just what the conditions were in

Mr. THORNBURG. Well, some-  
"Well, don't work too hard; get  
out into the cornfield."

Mr. McCULLOCH. Did Bentley

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. How many

Mr. THORNBURG. Most all of  
They didn't any of them so  
wanted to get back.

Mr. McCULLOCH. They came

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Told you

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Did you  
orders of your foreman?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. For how

Mr. THORNBURG. I expect

Mr. McCULLOCH. Did you

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Were you  
and leaf?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Now, was

Mr. THORNBURG. Shorter

Mr. McCULLOCH. Was

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. That was

Mr. THORNBURG. A week

Mr. McCULLOCH. Did you

is this method of ordering  
not have happened every

we would do a pretty  
we would take it pretty easy.

take it easy, is that it?

off in the cornfield while  
erable loafing all the time.

whether or not the heads  
other than the foremen,  
tion to the foremen know

of.

other foremen around, any

all.

whether or not they did  
at their knowing it?

that.

the occasion when you re-

at that?

under Bentley's foreman  
anted to know if he could

he guessed he could. He

I don't know, here; and I

a dozen of them, maybe,

I don't want but six," and I

um, and he asked me if I

difference to me; I would

me to. Well, he took me

them and all the rest quit;

foreman—the old foreman.

Saturday, pay day. I got my

carried me right through

people, and they both paid

the other people pay me.

the time did you see the

say: they were that way

was it 50 per cent of the

thing like that; yes.

want I suppose you have

out?

any place like you worked

Mr. McCULLOCH. What do you mean by that; tell us about that, what the situation was?

Mr. THORNBURG. The way I used to work, this wasn't working; I was used to doing more work.

Mr. McCULLOCH. And the loafing was done under the directions of the foreman?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Who was the agent of the contractor so far as you knew?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. In other words, you knew you were working for the Bentley Construction Co.?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. And you were taking orders of the boss or foreman?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. You were taking orders from him; you didn't know anything else?

Mr. THORNBURG. No, sir.

Mr. McCULLOCH. I think that is all.

Mr. DOREMUS. I want to ask you about this double time you have testified about. Who were these other people that paid you?

Mr. THORNBURG. I don't know what the foreman's name was because I didn't work only a week for him; but I went there and worked and I know I got my pay all right.

Mr. DOREMUS. Well, it was in connection with the work on this particular camp, wasn't it?

Mr. THORNBURG. Yes, sir.

Mr. DOREMUS. And Saturday night you say you got double pay?

Mr. THORNBURG. Yes, sir; that is, I was paid by Bentley's foreman and the Y. M. C. A. paid me.

Mr. DOREMUS. And you got double pay for how many day's work?

Mr. THORNBURG. Well, the time would be sent in, I think, on Wednesday and I had worked Thursday and Friday—no, on Thursday I guess the time was sent in and then I worked Friday, Saturday, and Sunday with the Bentley people and then the next Monday morning for the others and they paid me until that time the next week.

Mr. DOREMUS. That would be how many days?

Mr. THORNBURG. That would be seven days.

Mr. DOREMUS. There were seven days that you got double pay?

Mr. THORNBURG. Yes; from Bentley; yes, sir.

Mr. DOREMUS. Now, what did you do about that?

Mr. THORNBURG. I didn't do anything.

Mr. DOREMUS. You kept the money?

Mr. THORNBURG. Yes, sir.

Mr. DOREMUS. That is all.

Mr. McCULLOCH. I don't want to leave the witness in any situation where there are facts he has not explained. I understand you were working for the Y. M. C. A.?

Mr. THORNBURG. Well, I worked a week but there was days of that week the time was not sent in—the time would be sent in on Thursday, I think it was, and then I had worked Friday, Saturday, and Sunday for the Bentley man and then I went to the others and on

Monday, of course, he carried me Monday, Tuesday, and Wednesday.

Mr. McCULLOCH. Did you talk to him about it, or did you—

Mr. THORNBURG (interposing). No; I didn't know anything about it until he came and handed me the slip. The foreman always got our slips and that meant the hours we worked.

Mr. McCULLOCH. He knew you were not there?

Mr. THORNBURG. Certainly; he sent me.

Mr. McCULLOCH. So that you were acting under his directions?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. And you got paid for doing what he told you to do?

Mr. THORNBURG. Yes, sir; he told me to go and work for the other man and he know'd that he sent me onto the other job.

Mr. McKENZIE. How much money did you get from the Y. M. C. A.?

Mr. THORNBURG. I worked from Monday morning until Saturday noon.

Mr. McKENZIE. How much a day?

Mr. THORNBURG. The same as Bentley paid.

Mr. McKENZIE. How much was that?

Mr. THORNBURG. Four dollars and forty cents a day; that is, I worked for 10 hours and got paid for 11.

Mr. McKENZIE. Then you drew \$8.80 for that week?

Mr. THORNBURG. Yes, and double time on Sundays.

Mr. McKENZIE. Double time on Sunday?

Mr. THORNBURG. Yes, sir.

Mr. McKENZIE. Did you get that?

Mr. THORNBURG. Yes; made 86 hours.

Mr. McKENZIE. Now, did you know at that time that the Y. M. C. A. was an independent organization paying its own bills?

Mr. THORNBURG. I didn't know anything about that, how they were working it; I didn't know anything about it. I knew they paid their men and Bentley paid his men.

Mr. McCULLOCH. Do you know of other instances where that occurred?

Mr. THORNBURG. No; because the rest went away. They worked up until noon and went away.

Mr. McKENZIE. Your foreman knew you were not on the job?

Mr. THORNBURG. He sent me. When this fellow asked for the men, he says, "Will you go?"

Mr. McKENZIE. But he turned your time in just the same?

Mr. THORNBURG. Yes, sir.

Mr. McKENZIE. Now, I want to ask you another question: Was there anyone else representing the Government that ever checked your time, or was it all up to your foreman?

Mr. THORNBURG. It was all up to the foreman and the timekeeper: the Government had a timekeeper.

Mr. McKENZIE. Well, did the Government timekeeper see you during that week at all?

Mr. THORNBURG. Well, I don't know about that. I didn't see him when I was working for the Y. M. C. A.

Mr. McKENZIE. But nevertheless your time was turned in even if that were true and the Government had a timekeeper on the job?

Mr. THORNBERG. Yes, sir.

Mr. MCKENZIE. And you say the Government did have a timekeeper?

Mr. THORNBERG. Yes, sir.

Mr. McCULLOCH. In order to make it entirely clear, the man who sent you to work for the Y. M. C. A. turned in your time and knew you were working for the Y. M. C. A.?

Mr. THORNBERG. Yes, sir.

Mr. McCULLOCH. And he was your boss?

Mr. THORNBERG. Yes, sir.

Mr. DOREMUS. Did the Government timekeeper ever look at the button you wore?

Mr. THORNBERG. I couldn't tell you about that. It was on my hat; he could see it if he wanted to see it.

Mr. DOREMUS. You have testified that the timekeepers checked you up; do you know who they represented; whether they represented the Government or the contractor?

Mr. THORNBERG. I don't know; I was not expected to know anything of the time until I got my time slips with my time on.

Mr. DOREMUS. Now, as I understand it, you worked 7 days for the Y. M. C. A.?

Mr. THORNBERG. No; no, I worked from Monday noon until Saturday noon.

Mr. DOREMUS. You worked from Monday until Saturday noon for the Y. M. C. A.?

Mr. THORNBERG. Yes, sir.

Mr. DOREMUS. And you collected pay from the Y. M. C. A. for that week's work?

Mr. THORNBERG. Yes; up until Saturday noon.

Mr. DOREMUS. And you also collected pay from the contractor for that same period?

Mr. THORNBERG. No, sir; just the three days. The time is sent in in the middle of the week and then when we work in that week it would throw it until the middle of the next week; our time went in and we got our money on Saturday. I had worked Friday, Saturday, and Sunday for Shoemaker, Bentley's man, the foreman, and then the Y. M. C. A. took me and worked me Monday, Tuesday, and Wednesday and carried me 3 days; so that made a full week working for Bentley, and the Y. M. C. A. paid me at the same time for that three days. And they paid me the rest where Bentley did not. Bentley carried me on until they sent the time in.

Mr. DOREMUS. Let us see if we can get this thing straight. How many days did you work on this Y. M. C. A. job?

Mr. THORNBERG. Five days and a half.

Mr. DOREMUS. How many days did Bentley pay you for.

Mr. THORNBERG. He paid me for the full week; seven days. But I had worked three days for Bentley before I went to the Y. M. C. A.

Mr. DOREMUS. I see.

Mr. THORNBERG. And then he carried me from Monday, Tuesday, and Wednesday, and the time was sent in.

Mr. DOREMUS. To get this thing correct, now is this correct; part of the time that you work on the Y. M. C. A. job went on the pay roll of Bentley?

Mr. THORNBURG. Yes, sir.

Mr. DOREMUS. So you collected double time for the time you were on the Y. M. C. A. job?

Mr. THORNBURG. Yes, sir; I worked Saturday afternoon for Bentley, because the Y. M. C. A. got through on Saturday noon.

Mr. DOREMUS. And when you got this pay from Bentley you didn't say anything about it?

Mr. THORNBURG. No, sir; you didn't dare to; didn't dare mention it.

Mr. DOREMUS. Were you afraid something would happen to you if you mentioned it?

Mr. THORNBURG. No, sir; but they wouldn't allow you to say there was a mistake. There were men there with bayonets to say "you move on."

Mr. DOREMUS. Then the only reason you kept this money you had not earned was that you were afraid to say anything about it?

Mr. THORNBURG. They didn't allow you to; when you went to get your money, "you go on by."

Mr. DOREMUS. Now, I want to ask you, witness, whoever told you while you were on this job that if you got money that did not belong to you not to say anything about it?

Mr. THORNBURG. No, sir; they didn't tell you that. They didn't tell me that. But if you stopped a minute to ask one of them a question, "you move on." There was a soldier there.

Mr. DOREMUS. I don't care to pursue it any further.

Mr. McCULLOCH. One more question: Mr. Thornberg, you did not collect the money; it was paid to you, wasn't it?

Mr. THORNBURG. No; it was paid to me in the envelope.

Mr. McCULLOCH. It was paid to you by the man who sent you to work at another place, wasn't it? The foreman that sent you to work for the Y. M. C. A.?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Told you to go there?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. And knew you were there?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. Turned in your time, and gave you the money, didn't he?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. You didn't collect it from him?

Mr. THORNBURG. No, sir.

Mr. McCULLOCH. He gave it to you?

Mr. THORNBURG. The money was always in an envelope.

Mr. McCULLOCH. He turned in your time?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. And he knew you were not there?

Mr. THORNBURG. Yes, sir.

Mr. McCULLOCH. There can't be anything wrong with that so far as you are concerned?

Mr. THORNBURG. No, sir.

Mr. McCULLOCH. There can't be anything wrong with that in your mind?

Mr. THORNBURG. No, sir.

Mr. McCULLOCH. That is all.

**TESTIMONY OF MR. JESSE BRANDON, RICHMOND DALE, OHIO.**

The witness was duly sworn by Mr. McKenzie.

Mr. McKENZIE. What is your full name?

Mr. BRANDON. Jesse Brandon.

Mr. McCULLOCH. Where do you live?

Mr. BRANDON. Richmond Dale.

Mr. McCULLOCH. That is in Ross County, isn't it?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Now, you went to work for the Bentley Co. as I understand about July 8, 1917?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. And worked for them about 72 days?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. As a laborer on roads?

Mr. BRANDON. Two weeks on the roads.

Mr. McCULLOCH. What else did you do?

Mr. BRANDON. Cement work.

Mr. McCULLOCH. Cement work?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. As a laborer?

Mr. BRANDON. No; I worked finishing.

Mr. McCULLOCH. What do you say as to there being too many men on all the jobs?

Mr. BRANDON. Well, there were, I thought, too many men on the jobs.

Mr. McCULLOCH. How many too many?

Mr. BRANDON. Well, they could have taken off one-third of the men anyhow; one-third could have been taken off anyhow, the jobs I was on.

Mr. McCULLOCH. What was the effect of having too many men on the jobs?

Mr. BRANDON. They were in each other's way and they were waiting all the time until their turn came. Such as on the wheelbarrow, 8 or 10 on a wheelbarrow and a little mixer your turn would come and then you would be waiting all the time with a couple of shovelers shoveling on the wheelbarrow and that is where time was lost; they did not keep the men going all the time; one-third of the time they were waiting.

Mr. McCULLOCH. Was this fact, that the men were working in this way, within the knowledge of your boss; did he know he had too many men there?

Mr. BRANDON. Sure, he knew it.

Mr. McCULLOCH. What did he say about it?

Mr. BRANDON. He didn't say anything.

Mr. McCULLOCH. Did he ever tell you to slow up?

Mr. BRANDON. Yes, sure; he said we were working too fast.

Mr. McCULLOCH. Did he tell you to slow up?

Mr. BRANDON. Slow up, in order to make our job last.

Mr. McCULLOCH. I wish you would tell us all about that. Did you have any conversation with your foreman about easing up, slowing up?

Mr. BRANDON. No; it would be this way: When the boss was not around, or when any of the officers of the camp or the timekeepers, he



would tell us to kind of dig into it, and then when he was gone we would have an easy time—we called it an easy time, and told us to scatter out; when we didn't have work he told us to scatter out; we have to scatter out. I know one instance we was working on the laundry over here and I expect six or seven of them went to sleep up along the railroad under the shade trees; I know that.

Mr. McCULLOCH. Did your foreman know about that?

Mr. BRANDON. He said to scatter out. Some of the officials would say to get out. I don't care what they say; I know.

Mr. McCULLOCH. That is, your foreman said that?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Did he mention Bentley at any time?

Mr. BRANDON. Yes; one time I remember that he mentioned Bentley. He said, "Bentley is around; you men watch."

Mr. McCULLOCH. How about the leather-boot fellows?

Mr. BRANDON. Yes; the officials, he talked about them; when the leather-boot men came around we would have to hustle up and do something. Sometimes when we didn't have anything to do we would make an effort like we were putting something away, whether we did anything or not.

Mr. McCULLOCH. How about the Government timekeepers; did they come around?

Mr. BRANDON. Yes; they came around twice a day—Bentley's men and the Government timekeepers, twice a day; in the forenoon and afternoon.

Mr. McCULLOCH. Did they see you idling around?

Mr. BRANDON. Well, you know, when the timekeeper came up we always had to get away, make it appear that way, of course—of course there was times there that I didn't know them apart, Bentley's men from the Government men, but we would be idle, you know, and they came around and they didn't say anything.

Mr. McCULLOCH. You don't know whether the timekeeper represented Bentley or the Government?

Mr. BRANDON. No; not on this section D, but on the laundry I did, because they got a new man on the job and I knew him.

Mr. McCULLOCH. How about checking up of the time; how was the time checked up, if it was checked up?

Mr. BRANDON. The timekeeper would come around about 10 o'clock in the forenoon—

Mr. McCULLOCH (interposing). Whose timekeeper?

Mr. BRANDON. Both of them together sometimes; Bentley and the Government's; they would come together and have different places to go.

Mr. McCULLOCH. Tell us what you know and saw.

Mr. BRANDON. Men would do this way: I know one man, he wore a Panama hat—

Mr. McCULLOCH (interposing). Just answer my question; I don't care what he wore. Did he check your time and how often?

Mr. BRANDON. They checked your time twice a day.

Mr. McCULLOCH. But was the time kept by the foreman?

Mr. BRANDON. Oh, you mean by the foreman; sure, by the foreman; yes.

Mr. McCULLOCH. The foreman kept the time?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Now, let us get back to the Government checker.

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Did the Government checker check the individual time of the men?

Mr. BRANDON. Sometimes he would and sometimes he wouldn't.

Mr. McCULLOCH. That is what I want to get at; how often would he, and how often wouldn't he?

Mr. BRANDON. Sometimes for a week, maybe, that he would not come around and our foreman would check us in; and sometimes he would be out—he would go off a piece, and the foreman would go out and meet him that way.

Mr. McCULLOCH. He did not check you individually, then?

Mr. BRANDON. Sometimes he did.

Mr. McCULLOCH. How often?

Mr. BRANDON. I couldn't say how often; but sometimes he checked in individually.

Mr. McCULLOCH. Was that often?

Mr. BRANDON. Frequently, yes. Probably—I couldn't say—maybe two or three times a week he would come along.

Mr. McCULLOCH. Two or three times a week?

Mr. BRANDON. Two or three times a week, maybe, he would get you.

Mr. McCULLOCH. Two or three times a week he would get you?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Sometimes it would go for a week?

Mr. BRANDON. No; not a week.

Mr. McCULLOCH. You said it would. How often would he get you?

Mr. BRANDON. Sometimes two or three times a week.

Mr. McCULLOCH. Other times how was it done?

Mr. BRANDON. Well, the foreman was checking you in.

Mr. McCULLOCH. And then he would rely on the foreman, so far as you knew, because he had not checked you?

Mr. BRANDON. No, sir.

Mr. McCULLOCH. The foreman did not check you?

Mr. BRANDON. No, sir.

Mr. McCULLOCH. What do you know about the waste of materials around there?

Mr. BRANDON. I saw a lot of roofing and lumber and nails went to waste, because I seen it burned up.

Mr. McCULLOCH. Now, I have a memorandum here that on one occasion, under the direction of your boss, you did practically nothing for about a month; now, tell us about that. That one time you were watching for the gravel wagon.

Mr. BRANDON. Yes, sir; I was to watch and tell them where to put the gravel.

Mr. McCULLOCH. Who sent you there?

Mr. BRANDON. The regular foreman, a fellow named Gillam; and then there was another foreman, too—well, I had three or four foremen about that time.

Mr. McCULLOCH. During that month?

Mr. BRANDON. During that month.

Mr. McCULLOCH. All of them told you not to do anything?

Mr. BRANDON. I couldn't do nothing but sit there and watch.

Mr. McCULLOCH. Won't you tell us about it in a few words what happened there? You say for a month under the directions of your foreman you did nothing?

Mr. BRANDON. I did nothing.

Mr. McCULLOCH. Tell us what the circumstances were?

Mr. BRANDON. I was working tamping on these lavatories, tamping up, and he told me not to work, I didn't have to work that way; he said, "Stall around."

Mr. McCULLOCH. To stall around?

Mr. BRANDON. Yes; and not work, that jobs will give out. Well, I was to kind of let up and then I would get the next man, and then the next morning another boss came around and said that he had another job for me. He said, "You go out on the road there and watch for the gravel wagons and tell them where to put the gravel." Some times three wagons would come a day and some times only one wagon. I stayed there for a month at that place.

Mr. McCULLOCH. Doing nothing?

Mr. BRANDON. Just stayed there and watched for the wagons.

Mr. McCULLOCH. You were told to go there?

Mr. BRANDON. Yes; I couldn't do anything. I was told to go there.

Mr. McCULLOCH. Were you on the pay roll at that time?

Mr. BRANDON. Every day.

Mr. McCULLOCH. You received some extra money in your pay envelope?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Will you tell us about that?

Mr. BRANDON. I was on that loading job then.

Mr. McCULLOCH. Tell us about that.

Mr. BRANDON. When Mr. Leonard came around——

Mr. McCULLOCH. He was your foreman?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Representing Bentley?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Do you know how many gangs he had supervision over?

Mr. BRANDON. He told me five gangs.

Mr. McCULLOCH. So there were five foremen under him?

Mr. BRANDON. That is what he told me himself.

Mr. McCULLOCH. Five foremen under him?

Mr. BRANDON. And he said, "Brandon, what is your number?" And I told him what my number was, and he said, "They are doing lots of extra work at the laundry and the base hospital"; and he said, "you might as well have some of that time as the rest of them." He said, "Do you want to work at night?" I said, "No; I can't work at night because I have a long way to go, and go home every evening and come up in the morning." He said it didn't make any difference "if you happen to get in any extra time or extra pay don't make any kick." I told him I couldn't work, but he told me not to make any kick about the pay, and I didn't say anything, so when Saturday night came I had some extra pay. My pay roll was \$51.60; that was my regular pay roll; that is, if we worked Sundays.

Mr. McCULLOCH. And you worked Sundays; is that right? You were on the job Sunday?

Mr. BRANDON. Yes; double time on Sundays. So then the next Saturday night I did get some extra pay.

Mr. McCULLOCH. How much was it?

Mr. BRANDON. Some extra money; extra pay.

Mr. McCULLOCH. How much was it; \$13?

Mr. BRANDON. Yes; about \$13; something like that.

Mr. McCULLOCH. Was that \$13 in addition to your regular pay?

Mr. BRANDON. Yes, sir. Still, at this same time, I made a protest; I told this man. The first time he asked me how much time I had. I told him how much time I had, and he told me I couldn't count. I said, "Yes; I can." But he says, "Brandon, go on off; you can't count," and I took the envelope and went on off.

Mr. McCULLOCH. \$13?

Mr. BRANDON. \$13. He told me I couldn't count.

Mr. McCULLOCH. Did you understand from his conversation that he had put you on the pay roll for this extra work so that you could get a little extra money?

Mr. BRANDON. Yes; he told me that.

Mr. McCULLOCH. He had told you that he would put you on, hadn't he?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. And you got the extra money and you protested?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. And when you protested he told you you couldn't count?

Mr. BRANDON. Yes; he said I couldn't count.

Mr. McCULLOCH. What did you say about that?

Mr. BRANDON. He laughed at me; he took it as a joke. I said I could, and walked away.

Mr. McCULLOCH. What did you do for that extra money; did you work?

Mr. BRANDON. No; I didn't work for it.

Mr. McCULLOCH. You were on this loafing job at this time?

Mr. BRANDON. Yes; on this loafing job.

Mr. McCULLOCH. And you thought if he wanted to give you that money, it was all right?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. He was your boss?

Mr. BRANDON. He was my boss.

Mr. McCULLOCH. He was boss over the five gangs?

Mr. BRANDON. He was boss over the five gangs; yes.

Mr. McCULLOCH. Representing Mr. Bentley, the contractor?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Any other time did you get any extra pay; a few dollars?

Mr. BRANDON. A few dollars.

Mr. McCULLOCH. \$6?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. You had not done any extra work?

Mr. BRANDON. Yes; I was on the loafing job.

Mr. McCULLOCH. Leonard knew all about it?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Later you were transferred to another foreman?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Eddie Burke?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. And you did have some conversation with Gillam; who was Gillam?

Mr. BRANDON. He was my regular foreman.

Mr. McCULLOCH. He was a subforeman under Leonard?

Mr. BRANDON. Yes; but after they put me on this job I was clear out of my old gang on the road, so Mr. Gillam, he says to me, "Brandon, you can't get no extra pay now." I says, "That is all right," I says.

Mr. McCULLOCH. Did he tell you why?

Mr. BRANDON. Why, under this other foreman.

Mr. McCULLOCH. Just tell us what he said.

Mr. BRANDON. He told me that I would lose my extra pay.

Mr. McCULLOCH. He told you you would lose your extra pay?

Mr. BRANDON. Extra time, he said; extra time.

Mr. McCULLOCH. Did he tell you why?

Mr. BRANDON. I was transferred, you know.

Mr. McCULLOCH. Did he say that he would not turn it in that way?

Mr. BRANDON. He couldn't, you know. I was under this other foreman then, and Gillam was under Eddie Burke.

Mr. McCULLOCH. And under Eddie Burke that kind of a system wouldn't work?

Mr. BRANDON. No.

Mr. McCULLOCH. But it did work under Leonard?

Mr. BRANDON. Yes; under Eddie Burke it didn't, I know.

Mr. McCULLOCH. It did work under Leonard?

Mr. BRANDON. Yes; but they brought the matter up—brought the proposition up.

Mr. McCULLOCH. Your foreman brought it up and said you could not get your extra extra time under Burke; is that right?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. So you lost your extra time when you were transferred?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Did you have any conversation with anybody or with the foreman about other fellows getting this extra time besides yourself?

Mr. BRANDON. With the foreman, you mean?

Mr. McCULLOCH. Yes.

Mr. BRANDON. No; I didn't.

Mr. McCULLOCH. Do you know about any others getting the extra time?

Mr. BRANDON. I heard of some; just hearsay, is all.

Mr. McCULLOCH. Did you talk with the men about it?

Mr. BRANDON. No; I never talked with them at all; one fellow told me he got \$100 extra pay. I don't know his name.

Mr. McCULLOCH. In the same way?

Mr. BRANDON. In the same way.

Mr. McCULLOCH. Under Leonard?

Mr. BRANDON. No; a different work, you know. May be a carpenter; he got \$100, you know.

Mr. DOREMUS. Mr. Chairman, I don't want to do a great amount of protesting, but I think this is a serious proposition, whether you should let that kind of testimony into the record.

Mr. MCKENZIE. What he heard others say. I think the witness should confine himself to what he knows of his own knowledge.

Mr. DOREMUS. He testified somebody got \$100 and he doesn't know who it was.

Mr. BRANDON. No.

Mr. McCULLOCH. For the purpose of the record—and I want this to go into the record—we are endeavoring to find whether there is irregularity. The rules of evidence that apply in a lawsuit, I understand, do not apply to this investigation. If we can secure from witnesses under oath here some information that will unearth irregularities it seems to me to be our duty to get it; if that is wrong then my whole line of questioning is wrong, because I have the idea that the rules of evidence that apply in a court do not apply before a committee. If this man can give us by hearsay a clue that will unearth an irregularity by which \$100 was paid that should not have been paid, I think we should get it rather than cover it up. That is my position about it.

Mr. DOREMUS. Well, while we are not governed by the clear rules of evidence, it is our purpose to get the facts and nothing but the facts, and if we can get any facts that will substantiate fraud we are all interested in getting it; but I submit that this testimony does not establish a fact and does not establish anything from which a fact can be deduced. I am not going to interpose any further objection to whatever testimony is taken, because I realize I haven't the power. We are not acting under the established rules of evidence, as Mr. McCulloch suggests, but I do submit, in attempting to get at the facts, we should confine the testimony as nearly as we can to the facts. That is all.

Mr. MCKENZIE. I don't think it is necessary to take up the time of the committee discussing this question at any length. I think the position of Mr. McCulloch and Mr. Doremus so far as the rules of evidence are concerned are correct; and I think a broad leeway should be given, but I do feel, as chairman of the committee, that a witness ought to have at least some knowledge that would enable the committee to pursue whatever lead he might give us in order that we might get hold of the parties that were really guilty and engaged in fraud; but I must say that where a witness simply says that he heard a man say a thing and does not know him and can not give us his name and can't give us any information or fasten it down in any way that we can locate the parties to the fraud—

Mr. DOREMUS (interposing). The sole question in this particular instance is whether we want to get at the facts or whether we want to pursue it in this way.

Mr. McCULLOCH. Unless I can interrogate the witness and ask him to tell me so that we can call that witness I don't know whether you can get at the facts; and that was my question, and he hasn't had an opportunity to answer it yet.

Mr. DOREMUS. I submit he has, and he said he didn't know.

Mr. McCULLOCH. Then I will not pursue it any further.

Mr. McKENZIE. I think having answered that he did not know that statement should go out of the record, but if he did know then your question is proper.

He said he didn't know him. [To the witness:] Isn't that your answer?

Mr. BRANDON. I don't know his name, no; I don't know his name.

Mr. McKENZIE. You don't know his name?

Mr. BRANDON. I don't know his name.

Mr. McKENZIE. Where does he live?

Mr. BRANDON. In Chillicothe.

Mr. McKENZIE. Could you find him?

Mr. BRANDON. I might find him.

Mr. McKENZIE. When did you last see him?

Mr. BRANDON. He said the paymaster—he may be out of town.

Mr. McKENZIE. When did you last see him?

Mr. BRANDON. About a month ago. He was working—

Mr. McKENZIE (interposing). Do you think he is in Chillicothe?

Mr. BRANDON. I think so.

Mr. McKENZIE. Are you going to be busy this afternoon? If you locate him, let us know. If you find him, bring him in this afternoon.

Mr. McCULLOCH. We have an investigator of the committee. A broad statement of that kind that there has been taken out of the Government's Treasury \$100 by indirection, I think is a very important item of testimony, and if it isn't I don't care to pursue the investigation. If we can't pursue it—I will be as frank as I can—I don't want to pursue trivial things. But this man makes a charge here and I want to find out by questioning him—I know of no other way—who the fellow was and where he is.

Mr. McKENZIE. And he says he doesn't know.

Mr. McCULLOCH. He has given enough information to the committee to justify the investigator in pursuing the clue. That is my view of that.

Mr. McKENZIE. Well, proceed.

Mr. McCULLOCH. Do you know of any other instances that you can bring to the attention of the committee?

Mr. BRANDON. Well, I know more about the work. I know the system, the way they work on this concrete—they had three wheelbarrows to wheel the concrete—no, four—in the hopper, and a small mixer, and four to take it away. Now, one instance is down here at this warehouse. There was a hole up there to put concrete in and they had four wheelbarrows wheeling to those little holes, and three or four hauling to the hopper and two men to fill the wheelbarrows, and there was our foreman and two men under the building to kind of level the concrete down, and one man there stood around there to tell you what hole to put the concrete in. I know that is enough. One man stood around to tell you what hole to put the concrete in.

Mr. McCULLOCH. You think that was unnecessary?

Mr. BRANDON. I think that was unnecessary.

Mr. McCULLOCH. I understand you are a practical concrete worker?

Mr. BRANDON. Yes; I worked at it right smart.

Mr. McCULLOCH. How long have you worked at it?

Mr. BRANDON. Eight or ten years right along.

Mr. McCULLOCH. Is there any instance that you can bring to the attention to the committee which would indicate idleness on the part of the men or the payment of money out that was not earned with the knowledge of the contractor's agents?

Mr. BRANDON. This much, they had little closets all around the camp, and the men would take them closets for resting places. They would take a newspaper and go there.

Mr. McCULLOCH. Were they doing that in the eye of the foreman, or did he know about it?

Mr. BRANDON. Yes; that was the place to go to scatter out, you know; some would go there to read.

Mr. McCULLOCH. And the foreman knew about it?

Mr. BRANDON. Yes; he know'd it.

Mr. McCULLOCH. Saw them?

Mr. BRANDON. I don't know whether he saw them, but he know'd they was gone. I saw them there. Some of them would go in there and sit for two hours in there.

Mr. McKENZIE. Is that what you understood by being in the clear; to get in the clear?

Mr. BRANDON. Yes, sir; to get in the clear; hide away some place, but always be around in checking time.

Mr. McCULLOCH. Did they say that to them?

Mr. BRANDON. Yes; always to be around about checking time.

Mr. McCULLOCH. Did you ever hear a foreman say that to you; did he say it to you?

Mr. BRANDON. Always to be about so he could get you.

Mr. McCULLOCH. He said that to you?

Mr. BRANDON. Gillam and Burke and these other fellows?

Mr. McCULLOCH. Did he say you could be around and loaf but to check in and out?

Mr. BRANDON. Yes. I got tired loafing myself, so I picked up a shovel and put it on my shoulder and walked around somewhere. I just got tired of loafing.

Mr. McCULLOCH. Anything else.

Mr. BRANDON. I believe that is all at the present time.

Mr. McCULLOCH. That is all I want to ask you.

Mr. DOREMUS. Witness, you are a concrete worker. aren't you?

Mr. BRANDON. I am no expert, but I can finish.

Mr. DOREMUS. What kind of work were you doing at Camp Sherman?

Mr. BRANDON. What kind of work?

Mr. DOREMUS. Yes.

Mr. BRANDON. Two or three different kinds of work; I first worked here on the road, and then I went over there on the concrete work. I hired though—our superintendent at the camp, I hired to him and he gave me a 60-cent rate; that is what the finishers got; a 60-cent rate. I told him I would bring my tools in the morning.

Mr. DOREMUS. I don't care anything about that. You worked on the road?

Mr. BRANDON. Yes, sir.

Mr. DOREMUS. What else did you work on?

Mr. BRANDON. I told you on the concrete.



Mr. DOREMUS. What character of work was that; what were you doing?

Mr. BRANDON. What was I doing?

Mr. DOREMUS. Yes.

Mr. BRANDON. Grading these lavatories here; grading them up.

Mr. DOREMUS. How long have you worked on concrete and cement; how many years?

Mr. BRANDON. About 10 or 12 years, off and on.

Mr. DOREMUS. How long have you lived in Chillicothe?

Mr. BRANDON. I ain't living in Chillicothe; I have lived there though.

Mr. DOREMUS. Where do you live now?

Mr. BRANDON. Richmondale, Ohio.

Mr. DOREMUS. Do you know how many men there are in a concrete gang; how many there should be?

Mr. BRANDON. That depends on how far you wheel your gravel, and how close you wheel it; three or four men can run a concrete mixer, a small one.

Mr. DOREMUS. How many men does it take for the hopper with wheelbarrows?

Mr. BRANDON. A couple men.

Mr. DOREMUS. A couple men?

Mr. BRANDON. Yes, sir.

Mr. DOREMUS. How many distributors?

Mr. BRANDON. That depends on how far you have to wheel it. Two men can take it away at a close wheel; two men.

Mr. DOREMUS. How many loaders?

Mr. BRANDON. You don't need any, only the wheeler; he can shovel it himself.

Mr. DOREMUS. Do you need a foreman?

Mr. BRANDON. No; not particularly. If the men work you don't need any foreman.

Mr. DOREMUS. Do you need any tampers?

Mr. BRANDON. Need tampers?

Mr. DOREMUS. Yes.

Mr. BRANDON. If it has to be tamped; the cement has to be tamped.

Mr. DOREMUS. Now, you have been in this business 10 years. Ordinarily how many tampers do they have on a job, in one gang?

Mr. BRANDON. One tamper is enough for a gang; a small mixer.

Mr. DOREMUS. How many men were there in this gang you were on?

Mr. BRANDON. I expect 8, 10, 12, or 15; I don't know.

Mr. DOREMUS. Is that too many?

Mr. BRANDON. Yes, sir.

Mr. DOREMUS. How many too many? Now, figure that up carefully in your head, Witness, and then tell the committee how many more men there were in this gang than there should be?

Mr. BRANDON. I will do it.

Mr. DOREMUS. Take your time to it.

Mr. BRANDON. It takes two wheelers, shovel it themselves; and to load two, and to wheel, that is four.

Mr. DOREMUS. Yes.

Mr. BRANDON. And one to tamp and pour is five; about five men can run a good mixer.

Mr. DOREMUS. That is all the men that ought to be there, as you understand it?

Mr. BRANDON. That is at a close haul; probably far away it would take one or two more. That was all concrete.

Mr. DOREMUS. Take this particular job you were working on, how many men should be in the gang?

Mr. BRANDON. Well, that job I was working on—sometimes a job like that you have to wheel far away and sometimes close. Maybe six, or seven, or eight men on a job like that, wheeling far away.

Mr. DOREMUS. Do you think eight would be enough?

Mr. BRANDON. Eight.

Mr. DOREMUS. Yes. That is, eight men would be enough in a day of that kind.

Mr. BRANDON. To wheel off at a good distance, but a close one the men could do that work?

Mr. DOREMUS. Now, I want to ask you, Witness, about this extra pay that you got?

Mr. BRANDON. Yes, sir.

Mr. DOREMUS. Who was this man that told you that you couldn't count?

Mr. BRANDON. I don't know his name.

Mr. DOREMUS. You don't know his name?

Mr. BRANDON. No.

Mr. DOREMUS. Was he a foreman?

Mr. BRANDON. He was a paymaster, that man was.

Mr. DOREMUS. He was paymaster?

Mr. BRANDON. Yes; I don't know who he was.

Mr. DOREMUS. Now, he was the fellow that told you that you couldn't count?

Mr. BRANDON. Yes, sir.

Mr. DOREMUS. Did you split the extra pay with anyone?

Mr. BRANDON. No, sir; I did not; I put it in my pocket.

Mr. DOREMUS. You didn't have any understanding with anyone that you were to split it?

Mr. BRANDON. No, sir.

Mr. DOREMUS. All the paymaster told you was that you couldn't count?

Mr. BRANDON. Yes; and he laughed at me.

Mr. DOREMUS. And you kept the money?

Mr. BRANDON. Yes, sir.

Mr. DOREMUS. And you are sure you did not split this extra pay with the foreman or the paymaster or anybody else?

Mr. BRANDON. No, sir; I didn't give no money to anybody.

Mr. DOREMUS. That is all.

#### TESTIMONY OF MR. B. D. FERGUSON, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is R. D. Ferguson?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. And you live at 207 Church Street, Chillicothe, Ohio?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Sherman?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. What did you do?

Mr. FERGUSON. Carpenter.

Mr. McCULLOCH. Under the Bentley Construction Co.?

Mr. FERGUSON. Yes, sir; only.

Mr. McCULLOCH. And, as I understand, you worked from some-time in July until October. Is that correct?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. Who was your foreman?

Mr. FERGUSON. The first foreman was Gearhart, and the next one Snyder, and the next one Clause.

Mr. McCULLOCH. And they all represented the Bentley Construction Co.?

Mr. FERGUSON. All three.

Mr. McCULLOCH. While you were working at the base hospital, weren't you under Snyder and Sullivan?

Mr. FERGUSON. Sullivan was superintendent. I was working under Snyder, and Snyder was under Sullivan.

Mr. McCULLOCH. Were you told to get in the clear?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. Will you tell the committee about that as briefly as you can?

Mr. FERGUSON. Well, we didn't have anything to do only a little bit of work on the garret, and they had a little screening to do over the window; it would take two men, I expect, a couple of hours to put it on. Well, we would go up in there, a bunch of us would go up there on a ladder and somebody would come and take the ladder away, and we stayed up there until it was time to leave.

Mr. McCULLOCH. How many men would be up there?

Mr. FERGUSON. Ten men—oh, anywhere around—we had as high as half a dozen different buildings we were working on, and a number of them would go in the one garret and a number in another.

Mr. McCULLOCH. You had 25 men in your gang at that time?

Mr. FERGUSON. About 25.

Mr. McCULLOCH. And you would divide up and go into the attic?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. What were you doing in the attics?

Mr. FERGUSON. Nailing up.

Mr. McCULLOCH. Were you told to do that by your foreman?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. By your foreman?

Mr. FERGUSON. He told us he didn't have anything else to do, and if we wanted to stay on the job we would have to do that.

Mr. McCULLOCH. Just what were you doing there?

Mr. FERGUSON. Killing time.

Mr. McCULLOCH. And that was four or five days?

Mr. FERGUSON. Four or five days.

Mr. McCULLOCH. How long did that last?

Mr. FERGUSON. That lasted four or five days at that particular place.

Mr. McCULLOCH. Did it happen at any other place?

Mr. FERGUSON. Yes; when we were working in sections A and B we didn't have anything to do and he told us to scatter out, and we

did; we took walks to the rest of the camp, and some of us would go to the river and stay over there awhile.

Mr. McCULLOCH. Did Snyder say anything to you about that being the orders from some of them?

Mr. FERGUSON. Well, no; I don't know as he said it was orders. He said that they told him that that was all we had to do; if we wanted to stay on the job, we would have to—I don't know that he told us that. I don't know what Sullivan told him.

Mr. McCULLOCH. But your foreman told you that?

Mr. FERGUSON. Yes; I suppose that he got his orders from Sullivan, because Sullivan was over him.

Mr. McCULLOCH. Did Sullivan see you scatter out at any time?

Mr. FERGUSON. Well, he was not around much himself; he was at the office most of the time. Whenever my boss wanted to know anything he went there and saw him.

Mr. McCULLOCH. But this order to get into the clear happened more than once during your employment there; I think you said it did?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. How many times?

Mr. FERGUSON. Well, several different times. We would finish up a building and maybe we didn't have anything to do. I saw men working right here in sections A and B under Kelly then, and they didn't have anything to do, and we went around and chiseled pieces out of the floor and put them back in again.

Mr. McCULLOCH. Chiseled pieces out of the floor, cut them out and put them back in again?

Mr. FERGUSON. Yes, sir; cut them out and put them back in the same as they were; after we got through they were the same as they were before.

Mr. McCULLOCH. As a carpenter, how did you regard that procedure?

Mr. FERGUSON. I regarded it as getting in time; that is all we were supposed to do; that is all that appeared for us to do.

Mr. McCULLOCH. Why did you hide in the attic? Was there any reason for that, that you know of?

Mr. FERGUSON. Why, to get out of sight of the Government men.

Mr. McCULLOCH. If it had been all right for you to be idle, there would not have been any reason for you to hide; is that right?

Mr. FERGUSON. Sure not.

Mr. McCULLOCH. State to the committee whether or not you understood, or whether or not there was anything said by anybody as to the reason for your getting out of sight and hiding?

Mr. FERGUSON. Well, that was the reason. Our boss told us that we were not supposed to be idle, and if the Government men saw us they might turn us in. And also we were instructed that if we walked off any place to conceal our numbers; that is something we always did. We pinned our numbers on the inside of our nail pockets where it couldn't be seen.

Mr. McCULLOCH. And he said the reason for that was so that the Government inspectors would not catch you; is that right?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. And you were directed to do that by your foreman?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. Representing the contractor?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. What do you say as to the number of men employed; whether there were too many or not?

Mr. FERGUSON. Well, yes; I would say there were too many.

Mr. McCULLOCH. Give us the proportion in your opinion that there were too many.

Mr. FERGUSON. Well, I wouldn't—I don't think that I could make an estimate—it would be just my own estimate. I don't know anything about what really would happen, only what happened in our gang. I would say sometimes we had as high as 50 men on our gang, and if we had 50, 25 would have done more work in the same length of time.

Mr. McCULLOCH. Why do you say they would have done more work?

Mr. FERGUSON. Why, simply because numbers of them were not working.

Mr. McCULLOCH. Were they in your road, being too many?

Mr. FERGUSON. Yes—well, not always in the road, because they were not there. I knew one man that claimed that he was beat out of 30 cents on his pay check that spent three days down at the pay office trying to get that 30 cents.

Mr. McCULLOCH. Was he on the pay roll all the time that he was down there?

Mr. FERGUSON. Yes, sir; he came in and reported and checked in and would say: "I didn't get my shortage," and then go down and stand in line until noon and may be about up to the window and then the line would break up, and he would go down after dinner, and when he went down after dinner there would be a hundred men there again.

Mr. McCULLOCH. Did he tell you that or do you know it of your own knowledge?

Mr. FERGUSON. That is what he told me.

Mr. McCULLOCH. That is what he told you?

Mr. FERGUSON. I was not there.

Mr. McCULLOCH. What is his name?

Mr. FERGUSON. I couldn't tell you his name.

Mr. McCULLOCH. Did he work on the same gang with you?

Mr. FERGUSON. Yes, sir; he worked on the same gang with me.

Mr. McCULLOCH. Do you know that he was absent those three days?

Mr. FERGUSON. Yes; I know that he was absent for three days.

Mr. McCULLOCH. Do you know that he received his pay for the time that he was absent?

Mr. FERGUSON. Sure, I know that.

Mr. McCULLOCH. How do you know that?

Mr. FERGUSON. He told me and, why, I knew when he was checked in every morning.

Mr. McCULLOCH. You saw him checked in in the morning?

Mr. FERGUSON. Yes; and then the boss would tell him to go on.

Mr. McCULLOCH. And then would you see him leave?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. How many days was that?

Mr. FERGUSON. Three days; and 30 cents is all he was short.

Mr. McCULLOCH. Do you know of any man that was paid carpenter's wages for carrying water?

Mr. FERGUSON. Yes; I know that man. He came from the same place I do.

Mr. McCULLOCH. What is his name?

Mr. FERGUSON. Snyder.

Mr. McCULLOCH. How long did he do that?

Mr. FERGUSON. One week. We didn't have any water boy, and the foreman told him to carry water; he was an old-like man.

Mr. McCULLOCH. What did you observe as to other idleness on the job, such as plumbers?

Mr. FERGUSON. Well, they killed more time. I seen them spend a half day building a sunshade over a place where they would have to fix a joint where it wouldn't take them a half hour to put it in—two of them. It would be in an open place where they would have to make a connection.

Mr. McCULLOCH. You saw that?

Mr. FERGUSON. Yes, sir; working on a building right alongside of them. They would carry the lumber and material and drive stakes into the ground and spend more time building the sunshade than was necessary to do the work.

Mr. McCULLOCH. Did they need the shelter?

Mr. FERGUSON. If they wanted to keep out of the sun.

Mr. McCULLOCH. To keep out of the sun while they were working on the joint?

Mr. FERGUSON. Yes; anybody knows it wasn't necessary to have a shelter on the joint.

Mr. McCULLOCH. How long did they work at that?

Mr. FERGUSON. It wouldn't take so long if they had worked as they should.

Mr. McCULLOCH. How long did it take?

Mr. FERGUSON. A half day.

Mr. McCULLOCH. How long would it take them to wipe a joint?

Mr. FERGUSON. About a half hour.

Mr. McCULLOCH. And you say they took a half day to build a sunshade over a pipe connection where they were going to wipe the joint that would take them a half hour?

Mr. FERGUSON. It took them longer than that.

Mr. McCULLOCH. How much time did they spend on it.

Mr. FERGUSON. They figured a day to get the shape up and make the joint.

Mr. McCULLOCH. Now, will you tell us, if you know, anything about the waste of materials on the job?

Mr. FERGUSON. Well, I know there was lots of material wasted. We had one man in particular whenever he went to put on up and down siding on these hospitals he would cut a measuring stick—I saw that done quite often on him—and somebody would come along while he was getting his lumber and saw 10 or 12 inches off of his lath; and he would saw 10 or 12 boards before he commenced to put any up, and then he would put them up and they were that much short, and so those are all to go over again; he would throw those away and commence over again. I saw that quite often with him.

Mr. McCULLOCH. Have you any other facts that you could bring to the attention of the committee that would throw some light on the waste of material or the idleness of labor upon this job?

Mr. FERGUSON. Well, take the matter of nails—nothing only the nails. Whenever you had a pocket full of nails and wanted to change jobs where you used different nails the practice was to turn your pocket upside down and dump them on the ground.

Mr. McCULLOCH. You would throw them away?

Mr. FERGUSON. Yes, sir.

Mr. McCULLOCH. Did you regard that as a willful waste?

Mr. FERGUSON. Willful waste.

Mr. McCULLOCH. Did these conditions prevail all the time you were on the job?

Mr. FERGUSON. All the time.

Mr. McCULLOCH. Were those conditions within the knowledge of the agents of the contractors.

Mr. FERGUSON. The knowledge of the foreman, sure.

Mr. McCULLOCH. I think that is all.

Mr. DOREMUS. I have no questions.

Mr. McKENZIE. I want to ask one question; what percentage of the time do you think you loafed on that job?

Mr. FERGUSON. Well, I would say 10 per cent; I was there 12 weeks and there was about 2 weeks I didn't have anything to do—would make it a little over 10 per cent.

Mr. McKENZIE. How far was the well from the place where you worked?

Mr. FERGUSON. Well I worked in at least a dozen different places.

Mr. McKENZIE. About how far would you have to go to get to a well to get a drink?

Mr. FERGUSON. It depended on where we were at.

Mr. McKENZIE. What would be the greatest distance?

Mr. FERGUSON. Some places it was 200 yards.

Mr. McKENZIE. Of course, you were all too busy to walk over there and get a drink?

Mr. FERGUSON. Oh, yes.

Mr. McKENZIE. And it was necessary to have this water man or water boy to have water?

Mr. FERGUSON. Well, yes; that was necessary. It was necessary to have a man to carry water.

Mr. McKENZIE. I agree with you where men are working.

Mr. FERGUSON. Well, of course, when we were not working we didn't need any water carrier.

Mr. McKENZIE. That is all.

#### TESTIMONY OF MR. W. L. BLACK, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKENZIE.)

Mr. McCULLOCH. Your name is W. L. Black?

Mr. BLACK. Yes, sir.

Mr. McCULLOCH. You live on Maderia Avenue?

Mr. BLACK. 191 Maderia Avenue.

Mr. McCULLOCH. Chillicothe, Ohio?

Mr. BLACK. Yes, sir.

Mr. McCULLOCH. You, as I understand, are the secretary and treasurer of the local plumbers' union here at Chillicothe?

Mr. BLACK. Yes, sir.

Mr. McCULLOCH. There has been a good deal of testimony adduced before this committee in regard to plumbers loafing on the job.

Mr. BLACK. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Sherman?

Mr. BLACK. I worked on Camp Sherman about three or four weeks; I couldn't state the exact time, but somewhere about that time.

Mr. McCULLOCH. I wish you would tell the committee what, if anything, you know about that fact.

Mr. BLACK. The only thing I could say to that effect is this: We started on this camp and worked in sections through this camp and then on each house are 12 men, and on each house 6 men could have done the work, but at the same time the men were getting along so that they put in their time; they were put in the gang and they didn't know what to do; they couldn't work, there was too many coming in. As soon as we got other places they took them to other places. We were handicapped. I know we got a bad reputation because we didn't work, but you couldn't help it; we couldn't work.

Mr. McCULLOCH. You had too many men on the jobs?

Mr. BLACK. Yes; too many men on the jobs.

Mr. McCULLOCH. What do you say as to the number of men that were on too many?

Mr. BLACK. Well, I couldn't say much to that effect, only in the house where they had the men on there were about 6 too many men in a house, because 6 men could have done the work in a week's time, and the 12 men were there a week; that was too many men for the job.

Mr. McCULLOCH. Did you ever call anybody's attention to the situation?

Mr. BLACK. I talked to the foremen, and they said they had to place the men where they could get the work done.

Mr. McCULLOCH. Why did you quit?

Mr. BLACK. Because I couldn't work at the camp; I wasn't used to getting money that way. So I went down the street and got a job from the Gardien Plumbing Co. I will verify that. It is harder to loaf than to work, for me.

Mr. McCULLOCH. And you quit on that account?

Mr. BLACK. Yes, sir; I quit on that account.

Mr. DOREMUS. What was the time of your employment here?

Mr. BLACK. I think it was in the month of August when I went to work, 1917.

Mr. DOREMUS. And you worked from the 9th until that time?

Mr. BLACK. In August; I don't know just what time I quit, but I think I went to the plumbing company in September. I went to the camp and my aunt died, and I laid off two or three days on that account, and I worked a short time after that, and then they went on a strike, and I never came back to the camp after that.

Mr. DOREMUS. They went on a strike?

Mr. BLACK. Yes; they went on a strike; but I never came back to the camp after that.

Mr. DOREMUS. Were you in the strike?

Mr. BLACK. Yes, sir.

Mr. DOREMUS. What did they strike for?



Mr. BLACK. Yes; I had about three days and then I left.

Mr. DOREMUS. What did they strike for?

Mr. BLACK. The plumbers struck.

Mr. DOREMUS. For more money, or what?

Mr. BLACK. For more money and a recommendation for the different trucks to take them home; they got home so late. They wanted that in the proposition to get back and forth to the city, and such as that.

Mr. DOREMUS. You struck with the men for that reason; is that it?

Mr. BLACK. I had to go with them; they were in a body.

Mr. DOREMUS. You were in the union?

Mr. BLACK. Yes, sir.

Mr. DOREMUS. Do you think the men were entitled to more money for the work they were doing?

Mr. BLACK. I thought they were entitled to better working conditions going back and forth to the camp, but I didn't think they were entitled to more money. I don't think it was money; it was more the way they got to and from the camp on the trucks. You see a man got here and worked all day, and it was late in the evening and early in the morning.

Mr. DOREMUS. What were the plumbers getting at that time?

Mr. BLACK. I think 60 cents an hour. That continued all the time I was there. I do not know what they got after that.

Mr. DOREMUS. They struck for more money?

Mr. BLACK. They struck for more money, but they didn't get the money, I think.

Mr. McKENZIE. The committee will take a recess now until 15 minutes after 1 o'clock.

(And thereupon, at 12.45 o'clock p. m., the committee stood in recess until 1.15 o'clock p. m.)

#### AFTER RECESS.

The committee resumed its hearings at 1.15 o'clock p. m.

#### TESTIMONY OF MR. ALFRED BENNETT, GILLESPIEVILLE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Alfred Bennett?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Gillespieville; is that where you live?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Ohio?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Do you live on a farm?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. R. F. D. No. 1?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Did you work on the camp here?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. What did you do?

Mr. BENNETT. Hauled gravel and scraped; in hauling, teaming.

Mr. McCULLOCH. Team work; is that it?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. How long did you work here?

Mr. BENNETT. Well, I came here in August, 1917, and worked here under Mr. Bentley until the close of his contract.

Mr. McCULLOCH. Then did you work about the camp after the contract was closed?

Mr. BENNETT. Yes; I worked for the State in fixing up those roads, the Clarksburg Road and the Frankfort Road out at the base hospital.

Mr. McCULLOCH. Then did you work for McGrath?

Mr. BENNETT. Yes, sir. I worked for the State until about the 1st of April, 1918, and then I went to work for Mr. McGrath.

Mr. McCULLOCH. What did you do for McGrath?

Mr. BENNETT. I did about the same work for Mr. McGrath that I did for Bentley—teamed, hauling gravel, cement, lumber, and all kinds of hauling.

Mr. McCULLOCH. So you were about over the camp almost all the time during the construction, were you?

Mr. BENNETT. Yes, sir; only just the commencement of it.

Mr. McCULLOCH. When you began work under Bentley did you receive any instructions at once or later in regard to slowing down in your work?

Mr. BENNETT. Well, I wasn't used to working quite so slow as they started in—as I started in here—and some of the fellows that was working first called me down and told me not to go too fast. I drove around some of the teams, and they called me down.

Mr. McCULLOCH. Who called you down?

Mr. BENNETT. That was some of the teamsters that done that.

Mr. McCULLOCH. Yes. When, if at all, did you have a talk with any foreman about that—a representative of Bentley?

Mr. BENNETT. Well, Mr. Perry told all of us—we were hauling gravel up Cincinnati Avenue, hauling from the river pit, which we were making four loads a day, and some of them would get in a little early in the evening with their load, and he told them to kill time back next to the river—told me. He says, "If you get in here too early and drive your horses too fast they will put five loads on you, and if you get to hauling five they will put six on you."

Mr. McCULLOCH. Who do you mean would put six on you?

Mr. BENNETT. Why, these leather-boot men, I suppose; the head men that were looking over it.

Mr. McCULLOCH. Frank Perry was your boss?

Mr. BENNETT. Yes, sir; he was the man I—

Mr. McCULLOCH. How is that?

Mr. BENNETT. He was the man that I hired to.

Mr. McCULLOCH. And he represented the contractor?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. What was his position; was he teamster foreman, or what?

Mr. BENNETT. He was teamster—he was foreman over road work.

Mr. McCULLOCH. And did he have a foreman under him?

Mr. BENNETT. Well, no; not as I know of.

Mr. McCULLOCH. How many teams did he have under him?

Mr. BENNETT. Oh, I can't tell you. He had, I expect, anyway from 40 to 60 or 70.

Mr. McCULLOCH. Did he ever tell you to slow down?

Mr. BENNETT. Yes; he told us to not drive too fast.

Mr. McCULLOCH. And did he give his reason for it?

Mr. BENNETT. Only he said that if we made over four—made five loads, why, it would cause all of them to make five if one made five.

Mr. McCULLOCH. Well, wouldn't that be a good thing? Did he say that—you are a business man, a farmer, aren't you?

Mr. BENNETT. Oh, yes.

Mr. McCULLOCH. Well, if you could get five loads a day out of a team isn't it better than getting three?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Or two?

Mr. BENNETT. Sure it is.

Mr. McCULLOCH. Didn't you so understand it?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Well, did you inquire, then, when he said that you shouldn't get five—

Mr. BENNETT. Well, he was holding all the teams down to that.

Mr. McCULLOCH. Why?

Mr. BENNETT. Wanted to get as much time in as he could.

Mr. McCULLOCH. Did he say so?

Mr. BENNETT. Yes, sir; he said the job would run out too quick if you hurried too fast, if you worked too hard.

Mr. McCULLOCH. So he told you not to drive fast?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. And he gave that as his reason?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Give us his exact words.

Mr. BENNETT. Well, he said, "Boys, you mustn't get in here so early; you mustn't drive your team," he says, "if you make five loads they will get six on you directly, and the job will run out too soon."

Mr. McCULLOCH. Did you know where the money you were receiving came from?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. From whom?

Mr. BENNETT. The Government I always supposed the money came from.

Mr. McCULLOCH. Are you a taxpayer?

Mr. BENNETT. No, sir; I am no taxpayer.

Mr. McCULLOCH. Have you told us all that you care to tell us or that you know about the idleness of the teams?

Mr. BENNETT. Well, that is about all that I know about that.

Mr. McCULLOCH. Did you slow down after you received that order?

Mr. BENNETT. I worked just according to the balance of the team.

Mr. McCULLOCH. About how many loads would you haul then, after that order?

Mr. BENNETT. Just the same; four loads a day, two in the forenoon and two in the afternoon.

Mr. McCULLOCH. How many could you have hauled if you had speeded up?

Mr. BENNETT. Oh, we could have hauled five.

Mr. McCULLOCH. While you were in and about the camp, did you observe any waste of material?

Mr. BENNETT. Yes, sir; a great deal of it.

Mr. McCULLOCH. I wish you would tell the committee just what you saw.

Mr. BENNETT. Well, I saw a good many nails scattered around, a good many kegs of nails that was knocked over and spilled, and I saw a good deal of lumber burned; saw the teams—I didn't haul no scrap lumber myself, but I was working around where they was hauling it, and hauling it and putting it in this pit up here in the old canal bed, and they had other pits over the camp where they dumped this lumber in and burned it.

Mr. McCULLOCH. What kind of lumber did you see thrown into the pit and burned?

Mr. BENNETT. Well, it was all kinds of lumber they used to build with here in the camp.

Mr. McCULLOCH. Well, was it good lumber?

Mr. BENNETT. Yes, sir; it was good lumber.

Mr. McCULLOCH. Flooring?

Mr. BENNETT. Flooring and siding and 2 by 4.

Mr. McCULLOCH. Lumber that could have been used?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Lumber that was of value?

Mr. BENNETT. Yes, sir; that is what I considered it.

Mr. McCULLOCH. Well, what length of lumber would it be?

Mr. BENNETT. Well, it would run any place from a foot to 8 or 10 feet.

Mr. McCULLOCH. You say that lumber was burned?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. You know that of your own knowledge?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Did you see it burned?

Mr. BENNETT. I was right by it when it was burned.

Mr. McCULLOCH. And you saw what kind of lumber was on the bonfire?

Mr. BENNETT. Yes, sir; seen them put it in.

Mr. McCULLOCH. And you say it was good lumber and valuable?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Could you give the committee an estimate of the amount?

Mr. BENNETT. No; I couldn't very well do that.

Mr. McCULLOCH. Were there great quantities of it?

Mr. BENNETT. There were great quantities of it. There were two pits—I think two pits on that side of the road, and there was one big pit in the canal, where they burned it. There was those three places they were burning lumber.

Mr. McCULLOCH. Do you mean by the lumber that was burned scrap lumber or was it—

Mr. BENNETT. It was supposed to be scrap lumber.

Mr. McCULLOCH. Was it scrap lumber?

Mr. BENNETT. Well, I wouldn't consider that lumber from 8 to 10 feet long would be scrap lumber. It was good material.

Mr. MCKENZIE. These loads that you saw hauled, they were shavings—short pieces and little pieces of lumber and mixed up with it would be pieces of boards 6 or 8 or 10 feet long?

Mr. BENNETT. Yes.

Mr. MCKENZIE. Pieces of scantling?

Mr. BENNETT. Yes.

Mr. McKENZIE. In other words, you are not trying to give us the impression that these loads were made up wholly——

Mr. BENNETT. Oh, no.

Mr. McKENZIE. But good lumber was hauled with shavings——

Mr. BENNETT. Good lumber was mixed in with those loads of lumber.

Mr. McKENZIE. I see. Was that sorted at all?

Mr. BENNETT. No, sir; it wasn't sorted; just gathered up from around the barracks buildings and halls and dumped in those pits.

Mr. McCULLOCH. Have you seen lumber destroyed in other ways than in fires?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. How?

Mr. BENNETT. Trucks and teams or wagons running over it.

Mr. McCULLOCH. How would that occur?

Mr. BENNETT. Lumber be unloaded out of a truck and be scattered out and another truck come along in back of it and run over it trying to get in to dump another load. Teams would come with a load of lumber and sling it off the wagon and drive out and be some lumber under the wagon and run over it and split boards. Another team run over a pile of lumber to get another place——

Mr. McCULLOCH. You say this was willful waste?

Mr. BENNETT. Yes, sir; it was willful waste.

Mr. McCULLOCH. Was it within the knowledge of the contractor and his agents that this was going on?

Mr. BENNETT. Well, I don't know.

Mr. McCULLOCH. Did you see the foreman around?

Mr. BENNETT. No; I didn't see a foreman around. I just saw those trucks and teams driving over.

Mr. McCULLOCH. What do you say about the number of men that were on the job; were there too many or too few?

Mr. BENNETT. Well, there were too many on the job. I would consider.

Mr. McCULLOCH. Give us some idea of that, just in a word.

Mr. BENNETT. Well, I saw men working on some of those buildings where they didn't look necessary to have them around.

Mr. McCULLOCH. Were there more men on your own job?

Mr. BENNETT. My own job—I considered there were more men than were really necessary.

Mr. McCULLOCH. Tell us about it.

Mr. BENNETT. Well, when we were hauling gravel from the river there were a great many men there to shovel, and they would load the teams up and be probably two hours before there were any teams back to load again. Those colored fellows are great men to shoot crap; they would get their loads on and get out to shoot crap. I would hear them talking to one another about how one beat the other, and so on.

Mr. McCULLOCH. Well, while you were hauling gravel would you have helpers go with you on your wagon?

Mr. BENNETT. No; there never was no helper with me.

Mr. McCULLOCH. When you would unload gravel would there be men there to unload it?

Mr. BENNETT. Men would be there to unload it.

Mr. McCULLOCH. And spread it?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Were there more men to unload and spread the gravel than were necessary?

Mr. BENNETT. It looked to me as though there was too many men.

Mr. McCULLOCH. Were there too many teams?

Mr. BENNETT. Yes, sir; the teams were in one another's road.

Mr. McCULLOCH. The teams were in each other's road?

Mr. BENNETT. Yes, sir; and part of the time when I worked for Bentley there were teams in one another's way.

Mr. McCULLOCH. Well, part of the time; what part of the time?

Mr. BENNETT. Well, there would be days that when I was working for Bentley that there wouldn't be so many teams, and there would be days there would be a great many teams. They would wait on one another.

Mr. McCULLOCH. You are an experienced hauler?

Mr. BENNETT. I have hauled right smart; yes.

Mr. McCULLOCH. Of course you know it is necessary often to have men waiting until the teams can come along?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. They can't always be loading wagons?

Mr. BENNETT. Oh, no.

Mr. McCULLOCH. In the nature of things?

Mr. BENNETT. Yes.

Mr. McCULLOCH. They go farther, and so on. Now, from your experience as a hauler, what do you say to this, as to whether or not there were more men than would have been necessary under any conditions and more teams?

Mr. BENNETT. Well, I should judge there was probably, I think, one-third more men and more teams than were necessary on the work that I worked a great deal of the time.

Mr. McCULLOCH. And you say that from your experience as a teamster?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Did you observe the plumbers?

Mr. BENNETT. No, sir.

Mr. McCULLOCH. Did not?

Mr. BENNETT. Never had anything to do with the plumbers, but one day I moved some plumbers from over here around up on over in section S, and I was driving up a little bit, and they told me to slow up; they didn't want me to drive so fast, that the job wouldn't last very long anyhow. That was on McGrath's work.

Mr. McCULLOCH. They didn't want you to get get there quickly, is that it?

Mr. BENNETT. No; they wanted me to take my time.

Mr. McCULLOCH. What do you say as to the tendency here throughout the entire work; was it to speed up or to slow down?

Mr. BENNETT. Well, it was to slow down wherever I worked; it was to slow down.

Mr. McCULLOCH. And you think that was willful?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. And intentional?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. Do you know whether it was known by the representatives of the contractor, the foreman and so on, it was being done that way?

Mr. BENNETT. No.

Mr. McCULLOCH. That you don't know.

Mr. BENNETT. No, I don't know that.

Mr. McCULLOCH. Well, but you do know as applied to your own foreman, do you not?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. What do you say about that?

Mr. BENNETT. Well, my own foreman would tell me to work—watch and not let the general foreman see me loafing. Well, I didn't loaf, because it wasn't no use where I worked for I was going all the time. I had no chance only just as I told you of the times hauling gravel from the river. When I was with the scraping gang I was going all the time. I was steady there. I worked under Bill Swisher on some scraping, and I worked under him on some lumber hauling and Bill Swisher was a pretty nice foreman, and called them up every morning and wanted to know that every man was there in time, and on his job.

Mr. McCULLOCH. He was conscientious about it?

Mr. BENNETT. Yes, sir.

Mr. McCULLOCH. When you say general foreman do you mean the Government inspectors, or do you—

Mr. BENNETT. Well, he didn't say. He said, "Be careful of those big men"; I didn't know who.

Mr. McCULLOCH. You didn't know whether he meant Bentley's people or the Government?

Mr. BENNETT. No.

Mr. DOREMUS. Your work was to haul gravel as I understand it?

Mr. BENNETT. Yes, sir.

Mr. DOREMUS. And you hauled it from the gravel pit to the different places on the job?

Mr. BENNETT. Yes, sir.

Mr. DOREMUS. What was the system of unloading the gravel after you had taken it from the pit to the place where it was to be used?

Mr. BENNETT. You mean the unloading?

Mr. DOREMUS. Yes; describe the unloading of it.

Mr. BENNETT. Well, there was part of the time that we unloaded our own load, and there was part of the time there was other men to unload it for you, just according to where we would haul it to. whether there was men enough there to unload it. And some places we would haul where there was plenty of men to unload it.

Mr. DOREMUS. You hauled it on the ordinary wagon?

Mr. BENNETT. Yes, sir; yard beds.

Mr. DOREMUS. Was it unloaded with a shovel?

Mr. BENNETT. No, sir; dumped; we dumped our load.

Mr. DOREMUS. You dumped it off?

Mr. BENNETT. Yes, sir.

Mr. DOREMUS. Did you ever haul any lumber at Camp Sherman?

Mr. BENNETT. I hauled some lumber.

Mr. DOREMUS. You mean from the cars?

Mr. BENNETT. Well, I hauled some lumber for Bentley from the cars over here, delivered it around in the camp here when I go off

of the—when we got through with out pike work and went to work for them a couple of weeks. That was in—about the first—in September, 1917.

Mr. DOREMUS. Did you ever haul any lumber from the barracks after they were finished?

Mr. BENNETT. No, sir; I never did.

Mr. DOREMUS. To the scrap pile, as they call it?

Mr. BENNETT. No, sir; I never had anything to do with that.

Mr. DOREMUS. But you have seen lumber thrown in scrap piles, as I understand it?

Mr. BENNETT. Yes, sir; I have hauled scrap from the scrap piles when we were working down in this little pit in this section W for bonfires to warm by when it was cold weather.

Mr. DOREMUS. I see. Do you know what was done with the lumber after it was taken from the different jobs to the scrap pile?

Mr. BENNETT. No, sir; I don't know what was done with it.

Mr. DOREMUS. Do you know whether any of it was sorted after it was taken to the scrap pile?

Mr. BENNETT. Well, now, there was one pile right up here on Cincinnati Avenue that they made a good many little small buildings out of. They sorted that and made a good many small buildings out of it, but I don't know what they used it for. Some of them was on runners and some of them just built and hauled away on trucks; small buildings.

Mr. DOREMUS. Do you recall any other instances where lumber was sorted at the scrap pile?

Mr. BENNETT. No, sir; I don't know of any other.

Mr. DOREMUS. I think that is all.

Mr. McKENZIE. Put on the next witness.

#### TESTIMONY OF MR. EARL BARNHART, CHILLICOTHE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Did you know Mr. Tragelis or Capt. Tragelis?

Mr. BARNHART. Yes, sir.

Mr. DOREMUS. What is his name?

Mr. McCULLOCH. Give your full name and where you live?

Mr. BARNHART. Earl Barnhart, 248 East Main Street, Chillicothe, Ohio.

Mr. McCULLOCH. Did you know Tragelis?

Mr. BARNHART. Yes, sir.

Mr. McCULLOCH. What was his first name?

Mr. BARNHART. Capt. J. A. is all I knew him by; I think it was J. A.

Mr. McCULLOCH. He was not a captain in the American Army, was he?

Mr. BARNHART. No; he was a bloody Britisher.

Mr. McCULLOCH. He was a what?

Mr. BARNHART. Bloody Englishman?

Mr. McCULLOCH. An Englishman?

Mr. BARNHART. Supposed to be.

Mr. McCULLOCH. Had he been a captain in the English Army?

Mr. BARNHART. That is what he said he was; something down on the Dardanelles, when they was down in there?



Mr. McCULLOCH. In what capacity did you first know him; as working for Bentley in what capacity?

Mr. BARNHART. He was supposed to be the general superintendent of transportation.

Mr. McCULLOCH. Did you know that he was or just hear that?

Mr. BARNHART. Well, he was supposed to be the top boss. I had two bosses.

Mr. McCULLOCH. What did you work at?

Mr. BARNHART. I was truck tracer.

Mr. McCULLOCH. Did you know of Tragelis receiving or having a Kissel Kar?

Mr. BARNHART. Yes, sir.

Mr. McCULLOCH. What kind of a car was it?

Mr. BARNHART. It was a roadster, it was, just two-seated—I mean two-passenger; just single seat it was.

Mr. McCULLOCH. Was it a new car when he got it?

Mr. BARNHART. Yes, sir.

Mr. McCULLOCH. And when was it that he got this car?

Mr. BARNHART. Well, I just couldn't say whether it was in the first of September or middle of August; now, I can't just say.

Mr. McCULLOCH. And you saw it when he first got it, did you?

Mr. BARNHART. Yes, sir.

Mr. McCULLOCH. Did you have a conversation with him about it?

Mr. BARNHART. No, sir. He asked me one day to adjust the motor for him; that was all.

Mr. McCULLOCH. Now, how long did he have that car?

Mr. BARNHART. He had it until I left the employment of the company.

Mr. McCULLOCH. About how many months from the time he got it until you left?

Mr. BARNHART. Well, I can't say to that because I don't know.

Mr. McCULLOCH. Well, was it a considerable time?

Mr. BARNHART. Yes; it was. I left about the last week of September or just before that and went to school.

Mr. McCULLOCH. So he still had the car when you left?

Mr. BARNHART. Yes.

Mr. McCULLOCH. Do you know where he got it?

Mr. BARNHART. That is what I said; I didn't know whether it was the middle of August or the first of September. It was along in there some time, while I worked for them.

Mr. McCULLOCH. Do you know where he got it?

Mr. BARNHART. No; I understood it came from Columbus is all I know.

Mr. McCULLOCH. How is that?

Mr. BARNHART. I understood it came from Columbus.

Mr. McCULLOCH. I think that is all.

Mr. DOREMUS. That is all.

#### TESTIMONY OF MR. GEORGE A. SHERMAN, CHILlicothe, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McKENZIE. Give your name to the stenographer, your full name.

Mr. SHERMAN. George A. Sherman.

Mr. McCULLOCH. And where do you live?

Mr. SHERMAN. One hundred and eighty-two Hern Street. I live there, but at the time I lived right up here at the camp, base hospital.

Mr. McCULLOCH. Where do you live now?

Mr. SHERMAN. One hundred and eighty-two Hern.

Mr. McCULLOCH. Chillicothe?

Mr. SHERMAN. Yes, sir. At the time the camp was built I lived right up here at the base hospital.

Mr. McCULLOCH. Did you work for the Bentley Construction Co.?

Mr. SHERMAN. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. SHERMAN. I worked—I commenced along about the middle of August and——

Mr. McCULLOCH. As what?

Mr. SHERMAN. As carpenter.

Mr. McCULLOCH. How long did you work for them then?

Mr. SHERMAN. Very near eight weeks.

Mr. McCULLOCH. How many men were there in your gang?

Mr. SHERMAN. Well, they would average anyway from 20 to 30 at different times.

Mr. McCULLOCH. How many of them were carpenters?

Mr. SHERMAN. Oh, about 10 or 15 of them, I guess; 10 of them.

Mr. McCULLOCH. Who was your foreman?

Mr. SHERMAN. A fellow by the name of Serviss, from Michigan, was one of them.

Mr. McCULLOCH. Mr. Reichle?

Mr. SHERMAN. He was the last foreman I had. I worked under three gangs, three foremen, Reichle and Serviss, and the other foreman I can't recollect his name.

Mr. McCULLOCH. Well, Reichle was a McGrath foreman?

Mr. SHERMAN. Well, he worked under Bentley the last—he was with Bentley.

Mr. McCULLOCH. Well, did you work for McGrath?

Mr. SHERMAN. No, sir.

Mr. McCULLOCH. Just for Bentley?

Mr. SHERMAN. Just for Bentley.

Mr. McCULLOCH. What do you say as to whether there were too many men on the job?

Mr. SHERMAN. I acknowledge there were—about half.

Mr. McCULLOCH. About how many too many?

Mr. SHERMAN. About the half.

Mr. McCULLOCH. What was the result of having too many men on there?

Mr. SHERMAN. Well, they was in your road.

Mr. McCULLOCH. Did it delay the work?

Mr. SHERMAN. Right smart.

Mr. McCULLOCH. How much?

Mr. SHERMAN. Oh, well, half the men could have done it in just the same time that they all did.

Mr. McCULLOCH. Did you ever call anybody's attention to the fact that there were too many men there?

Mr. SHERMAN. Well, really, I think they all knew it—foremen and all. They could see there were too many men, although they couldn't discharge them.

Mr. McCULLOCH. Why?

Mr. SHERMAN. It seems like they wouldn't stand for the discharge.

Mr. McKENZIE. Did you ever say anything about that?

Mr. SHERMAN. No.

Mr. McCULLOCH. What do you know about the discharging of men?

Mr. SHERMAN. Well, I wanted to get—I wanted to lay off myself for a couple of weeks or a week, and I had quite a difficult time getting my time off—getting off from the camp.

Mr. McCULLOCH. Who did you talk to about it?

Mr. SHERMAN. I talked to Mr. Sullivan, the head foreman of the construction.

Mr. McCULLOCH. What did he say to you?

Mr. SHERMAN. He says: "I can't leave you go." He says: "I need you."

Mr. McCULLOCH. Did they need you?

Mr. SHERMAN. Well, they got along just as well without me.

Mr. McCULLOCH. What else did he say to you; said "I can't let you go" and "I need you"; did he say anything else to you?

Mr. SHERMAN. Well, not as I can remember at the time.

Mr. McCULLOCH. Did you have a conversation with any other foreman or representative of the Bentley Co. in regard to discharging men, or did you ever hear any of the foremen say anything about the discharging of men?

Mr. SHERMAN. Well, no, not particularly. There was two men working on setting windows or putting in windows and, well, I think they was two days putting in about three windows, the two men, and of course, they fired them.

Mr. McCULLOCH. Why did they fire them?

Mr. SHERMAN. Well, they didn't do enough work for them.

Mr. McCULLOCH. Then there was a tendency to have more work done?

Mr. SHERMAN. It looks like in that respect.

Mr. McCULLOCH. Well, do you know of any other instance where men were fired that were not doing enough work?

Mr. SHERMAN. Let's see; well, yes. The last day or so of finishing up the camp they fired a fellow from Chicago.

Mr. McCULLOCH. On account of what?

Mr. SHERMAN. Just neglect, or not wanting to work, or not working when they ought to have been working. Of course, the gang—didn't have very many gangs on at the time any more, and he told him he didn't care whether he worked or not, wasn't going to work, and they gave him his discharge.

Mr. McCULLOCH. Did you observe men idling away time?

Mr. SHERMAN. A lot of them; yes, sir.

Mr. McCULLOCH. Will you tell us about that?

Mr. SHERMAN. Well, there was one fellow they called Big Bill; I don't think he drove over three nails a day.

Mr. McCULLOCH. Well, did he get fired?

Mr. SHERMAN. No.

Mr. McCULLOCH. Did the foreman observe the amount of work he was doing?

Mr. SHERMAN. Well, he was always moving, moving, always going from one to the other trying to keep others what wanted to work

from working and the foreman never seemed to pay much attention to him, either the Government foreman or the gang foreman.

Mr. McCULLOCH. I wish you would tell us now just frankly whether or not in your judgment the men were working on that job.

Mr. SHERMAN. Well, there were some, some did. Just naturally didn't care whether they worked or not.

Mr. McCULLOCH. Well, did the foreman care whether they worked or not?

Mr. SHERMAN. Well, whenever they saw the foreman they moved a little; they would always keep their eye on the foreman.

Mr. McCULLOCH. You have said there were too many men on the job?

Mr. SHERMAN. There were.

Mr. McCULLOCH. And that half of the men could have done what—

Mr. SHERMAN. They all did.

Mr. McCULLOCH. They all did?

Mr. SHERMAN. Yes, sir.

Mr. McCULLOCH. And that there was some idleness?

Mr. SHERMAN. There was. The worst was the plumbers.

Mr. McCULLOCH. I want to deal with the carpenters now; you were a carpenter. We have have had a lot of testimony about idling of men here and if they were not idling we want to know it.

Mr. SHERMAN. Well, they were. I will acknowledge to that.

Mr. McCULLOCH. How much of the time will you say was idled away?

Mr. SHERMAN. Well, half of it anyhow.

Mr. McCULLOCH. That is considerable.

Mr. SHERMAN. It is.

Mr. McCULLOCH. Did the foreman and the representatives of the contractor know that these fellows were idling half the time away; the foreman was there, was he?

Mr. SHERMAN. Well, he was there part of the time. He would go and come. Of course, when he was gone they didn't do anything. Of course as quick as he came, well, they moved.

Mr. McCULLOCH. Did he insist upon them moving.

Mr. SHERMAN. Why, on his sight of coming insisted—that made them move.

Mr. McCULLOCH. I am asking you the question. Was the foreman on the job trying to get out of the men all the work he could get out of them all the time or was he consenting to this loafing?

Mr. SHERMAN. Well, he didn't urge them or hurry them but he liked to see them move, see them doing something.

Mr. McCULLOCH. Did you hear him say he would like to see them doing something?

Mr. SHERMAN. Sure.

Mr. McCULLOCH. What did he say?

Mr. SHERMAN. He said: "Come on, boys, don't stand around all the time; come on."

Mr. McCULLOCH. How many foremen did you work under?

Mr. SHERMAN. I worked under three.

Mr. McCULLOCH. Did they all do that?

Mr. SHERMAN. Well, two of them was very industrious for the Government, but the other one I didn't think much of him, and I

don't think the rest did. They only had him three days until they fired him. But Mr. Serviss and Mr. Reichle were two nice men.

Mr. McCULLOCH. And you think they wanted to do what was right?

Mr. SHERMAN. They wanted to do what was right.

Mr. DOREMUS. This Reichle, as I understand, was a Michigan man?

Mr. SHERMAN. No; Mr. Serviss was a Michigan man; a very nice fellow.

Mr. DOREMUS. He was all right, was he?

Mr. SHERMAN. Yes, sir; he was a good fellow. He was promoted from gang foreman to the head foreman after he was—oh, he was on the job two months I guess, and he was promoted as head foreman under Serviss then.

Mr. McCULLOCH. Yet they did idle away half the time?

Mr. SHERMAN. Yes; because they couldn't watch them all the time; there was too many men.

Mr. McCULLOCH. How about the percentage of men hired as carpenters were real carpenters?

Mr. SHERMAN. Well, there wasn't half of them carpenters.

Mr. McCULLOCH. Have you seen men hired as carpenters at carpenters' pay who were put to carrying water?

Mr. SHERMAN. Yes, sir.

Mr. McCULLOCH. Who did that—foremen?

Mr. SHERMAN. Foreman. Carried water right from my well, too; right from where I lived.

Mr. McCULLOCH. Have you told the committee all you observed in regard to idleness of the men?

Mr. SHERMAN. Well, as far as I can think of at the present time.

Mr. McCULLOCH. What do you say as to the destruction and waste of materials?

Mr. SHERMAN. Well, it was quite extravagant in the way of lumber and brick, coal.

Mr. McCULLOCH. Brick and coal?

Mr. SHERMAN. Yes.

Mr. McCULLOCH. Did you have anything to do with brick and coal?

Mr. SHERMAN. Well, that was—I saw what was wasted. You wanted to know what was in the waste of lumber of material?

Mr. McCULLOCH. Well, we will talk first about building material.

Mr. SHERMAN. Yes, sir.

Mr. McCULLOCH. What was the waste in building material?

Mr. SHERMAN. Well, I have saw them dump a loaded truck, loaded truck of lumber, into a mudhole and other trucks run right over it, to fill the mudhole to get over it.

Mr. McCULLOCH. With good lumber?

Mr. SHERMAN. With good lumber.

Mr. McCULLOCH. Did you regard that as willful waste?

Mr. SHERMAN. Well, yes; in one respect.

Mr. McCULLOCH. In what respect didn't you regard it as willful waste?

Mr. SHERMAN. It looked a shame to throw lumber like that in a mudhole so another truck could get over where there was other filling could be put in that instead of lumber.

Mr. McCULLOCH. Then it was waste in every respect, wasn't it?

Mr. SHERMAN. I should say so. That was right away from our kitchen door, you might say; you could stand in the yard and see that done.

Mr. McCULLOCH. What other waste of material?

Mr. SHERMAN. Well, there was lots of it went to the scrap pile; of course, where it could have been used. Some of it was sorted over again and used.

Mr. McCULLOCH. Did you sort any of it over again?

Mr. SHERMAN. No, sir. I have used some that was sorted over.

Mr. McCULLOCH. Who sorted it?

Mr. SHERMAN. Indeed I don't know. It was hauled there to be used.

Mr. McCULLOCH. What percentage would you say of waste of lumber as a result of careless handling by the carpenters; by that I mean using a board—

Mr. SHERMAN. In cutting off one end and throwing the big end away?

Mr. McCULLOCH. Yes.

Mr. SHERMAN. Well, that is kind of hard to estimate.

Mr. McCULLOCH. Have you an opinion; take one single unit, or single building.

Mr. SHERMAN. Well, it was 10 per cent of it, anyhow.

Mr. McCULLOCH. That was not a very large loss, great waste, was it?

Mr. SHERMAN. Well, no; not after they sorted it over and used it back over again.

Mr. McCULLOCH. Did they burn any up?

Mr. SHERMAN. Some. Of course, I didn't see whether it was good what they did burn.

Mr. McCULLOCH. So you don't think there was very great waste of lumber?

Mr. SHERMAN. Well, not after they went over—of course, they sorted over some of it, because I worked over some of it that they sorted. I worked some of it up myself.

Mr. McCULLOCH. Were any of the scrap piles that were not sorted over burned?

Mr. SHERMAN. I can't say. I seen them burning; whether it was sorted or not I can't say, because that was further away from the house, and I didn't go over to see whether it was sorted or not.

Mr. McCULLOCH. What other waste do you know of?

Mr. SHERMAN. In which way?

Mr. McCULLOCH. Waste of hardware.

Mr. SHERMAN. Well, I didn't notice much of the hardware wasted. Of course, there was some locks that they would put on and take off, and what they done with the returned locks that was taken back to the headquarters, I don't know.

Mr. McCULLOCH. Did you see a pile of lumber at the base hospital, covering about an acre of ground, burned?

Mr. SHERMAN. This wasn't at the base. It was over in the barracks department, right up—there was a pile of it there at the base hospital—

Mr. McCULLOCH. Covering an acre of ground?

Mr. SHERMAN. Well, not that one; but this one that was over here in this barracks part, it covered all of an acre.

Mr. McCULLOCH. And it was burned?

Mr. SHERMAN. It was burned.

Mr. McCULLOCH. What kind of lumber was it?

Mr. SHERMAN. Indeed, I can't say. It was scraps that was hauled from different parts of the cantonment.

Mr. McCULLOCH. Do you know whether it was sorted or not?

Mr. SHERMAN. Indeed I couldn't say that.

Mr. McCULLOCH. While my work was at base hospital I will say I have seen at least 20 carloads of good lumber willfully wasted.

Mr. SHERMAN. Well, altogether at the base hospital, I wouldn't doubt it.

Mr. McCULLOCH. Do you say it was that much?

Mr. SHERMAN. At least, safe to say.

Mr. McCULLOCH. You think that is a conservative estimate; that is a fair estimate?

Mr. SHERMAN. Well, yes.

Mr. McCULLOCH. Did you see any cement, brick, tar paper, and other materials wasted?

Mr. SHERMAN. I did.

Mr. McCULLOCH. In large quantities or small quantities?

Mr. SHERMAN. Well, a carload lot of cement at least.

Mr. McCULLOCH. How was that wasted?

Mr. SHERMAN. Just neglect of covering it, and it got hard and what wasn't hard got throwed in the dump just the same as what was hard. Also brick, filling holes and places.

Mr. McCULLOCH. Do you know of any buildings being put up—do you know of the 10 buildings about 20 by 100 built as mess halls for the Cleveland Engineers when they were—

Mr. SHERMAN. That was when the Third Regiment was here?

Mr. McCULLOCH. Yes. Were they torn down?

Mr. SHERMAN. Well, they were wrecked, yes; torn down.

Mr. McCULLOCH. Why do you hesitate about it; were they or were they not? If they were not, say what happened.

Mr. SHERMAN. Well, the majority of the lumber was used, and the roof and that, that was all burned.

Mr. McCULLOCH. Now, you know I didn't ask you that. I asked you if they were torn down. Were they or were they not?

Mr. SHERMAN. Well, part of them were.

Mr. McCULLOCH. Well, what part was torn down and what part was not?

Mr. SHERMAN. Well, what boards there was they tore them off and the rest of it was just mashed down, and burned.

Mr. McCULLOCH. But they were torn down, weren't they?

Mr. SHERMAN. Well, they was torn—

Mr. McCULLOCH. That is all.

Mr. SHERMAN. They was shoved down.

Mr. MCKENZIE. I want to ask you a question to get it clear in my mind what you mean. You stated that there were at least two men on the job where one could have done the work.

Mr. SHERMAN. Yes.

Mr. MCKENZIE. Or, in other words, you had about 25 or 30 men in your gang?

Mr. SHERMAN. Well, they run; yes—average from 25 to 30, and sometimes more and sometimes not quite—they run about that many to a gang. Some days that many and some days not so many.

Mr. McKENZIE. Well, now, take a barracks building for an illustration; suppose your gang of 25 men were working on a barracks building; it would take a certain length of time to construct that building, and you say that you could construct that building in the same length of time with half the men?

Mr. SHERMAN. I believe so.

Mr. McKENZIE. Then, there would be at least a loss of 50 per cent to the Government on the labor. Well, now, do you wish us to understand that in addition to that loss that the employment of the 25 or 30 men delayed, took a longer time to construct, or do you want us to understand you could have taken half of the men and constructed it in the same time?

Mr. SHERMAN. Same time.

Mr. McKENZIE. I see. I wanted to find out just what you meant.

Mr. SHERMAN. Sure.

Mr. DOREMUS. Just a moment. I understood you to speak of a waste of coal; am I right about that?

Mr. SHERMAN. I think so; yes.

Mr. DOREMUS. That introduces a new element of waste into the investigation. What was this coal used for?

Mr. SHERMAN. Well, that was when they was starting up the base hospital, in the mess hall; they dumped a load of coal into a mudhole to get across it.

Mr. DOREMUS. I see.

Mr. SHERMAN. And if that ain't waste I don't know what it is.

Mr. DOREMUS. I agree with you, entirely. Now, did you notice any other evidences of waste of coal?

Mr. SHERMAN. Well, no; not as I can recollect at the time.

Mr. DOREMUS. That is all.

Mr. McCULLOCH. How often did you check in and go home and help your wife do washings?

Mr. SHERMAN. Well, about twice I think it was.

Mr. McCULLOCH. Get paid for it?

Mr. SHERMAN. I was gone about half an hour.

Mr. McCULLOCH. Half an hour?

Mr. SHERMAN. Just about, each time.

Mr. McCULLOCH. And then you hurried back to the job?

Mr. SHERMAN. Yes, sir. The same time I would take a bucket of water along back when I would go back; about from between 60 and 70, and carrying water from the base hospital right from my well.

Mr. McCULLOCH. Did you go for water or to help your wife do washings?

Mr. SHERMAN. Well, I went for both; I will acknowledge that. Take about half an hour, is about as long as I would be gone.

Mr. McCULLOCH. What do you say as to whether or not in your judgment the Bentley Co. wanted to keep you on the payroll whether there was anything for you to do or not?

Mr. SHERMAN. Well, I don't know. I tried to get off, which I did by difficulty, and by trying hard to get off for a week or ten days, which I was, to get to do some chores on my place where I would like to do.

Mr. McCULLOCH. Did you ever hear a good carpenter that you knew was a good carpenter make a statement "Well, I have made 60 cents to-day and they made me a present of \$60?"



Mr. SHERMAN. Yes, sir.

Mr. McCULLOCH. Who was that?

Mr. SHERMAN. Mr. Frye.

Mr. McCULLOCH. Is he a good carpenter?

Mr. SHERMAN. Number 1.

Mr. McCULLOCH. Where is he.

Mr. SHERMAN. I don't know. He is a floater; he is here to-day and—

Mr. McCULLOCH. Just what did he say?

Mr. SHERMAN. He says that he earned his 60 cents and they made him a present of \$60. And he was as good a carpenter as he had on the job I will say. He was a mighty fine man.

Mr. McCULLOCH. I think that is all.

Mr. McKENZIE. Call the next man.

#### TESTIMONY OF MR. JOHN WALKER, CHILLICOTHE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McKENZIE. Give your full name to the stenographer.

Mr. WALKER. John Walker.

Mr. McCULLOCH. Where do you live?

Mr. WALKER. 360 McKellar Street, Chillicothe.

Mr. McCULLOCH. What is your business?

Mr. WALKER. I am a boilermaker by trade.

Mr. McCULLOCH. Did you work on Camp Sherman?

Mr. WALKER. I did.

Mr. McCULLOCH. When did you begin to work there?

Mr. WALKER. Well, the latter part of August or 1st of September, I worked.

Mr. McCULLOCH. 1917?

Mr. WALKER. Yes, sir.

Mr. McCULLOCH. For the Bentley Construction Co.?

Mr. WALKER. Yes, sir.

Mr. McCULLOCH. And what did you work at?

Mr. WALKER. I worked at that time as a carpenter.

Mr. McCULLOCH. Had you been a carpenter?

Mr. WALKER. Never had; no.

Mr. McCULLOCH. But you were carried on the pay roll as a carpenter?

Mr. WALKER. I was.

Mr. McCULLOCH. Were you able to do a day's work; did you do a day's work?

Mr. WALKER. No.

Mr. McCULLOCH. Now, will you tell the committee in just as few words as you can what kind of a gang you were on and what you did?

Mr. WALKER. Well, I was in a gang probably of 60 men, and we done practically nothing.

Mr. McKENZIE. For how long?

Mr. WALKER. Twenty-six days I was a carpenter.

Mr. McCULLOCH. You checked in in the morning?

Mr. WALKER. We did.

Mr. McCULLOCH. And then what would you do?

Mr. WALKER. Go on the job and stall around.

Mr. McCULLOCH. And would you leave the job sometimes?

Mr. WALKER. We would.

Mr. McCULLOCH. Where would you go?

Mr. WALKER. Down town.

Mr. McCULLOCH. And did your foreman know you were away?

Mr. WALKER. Well, he did at first, I guess; and then they made some little kick about them leaving the job, and he told us to stick around on the job.

Mr. McCULLOCH. Just tell us what he said; we just want the fact. Tell us what he said about it, frankly, now.

Mr. WALKER. Well, he just told us to stick around on the job, that they were making a holler about fellows leaving the job.

Mr. McCULLOCH. Who did he say was making the holler?

Mr. WALKER. He didn't say exactly. I suppose he meant the Government officials.

Mr. McCULLOCH. Did he indicate that he mean the Government officials in any way?

Mr. WALKER. No; not exactly.

Mr. McCULLOCH. Tell us what he said. Did he insist upon your working while you were on the job?

Mr. WALKER. He insisted on us keeping moving.

Mr. McCULLOCH. What did he mean by keeping moving?

Mr. WALKER. Just keep moving around so that he said so that General Headquarters wouldn't notice us loafing on the job.

Mr. McCULLOCH. He did know——

Mr. WALKER. Pick up a board and walk around, or most anything to just keep moving around.

Mr. McKENZIE. What character of work were you doing? What was this gang in which you were doing?

Mr. WALKER. We were constructing the rough work on barracks buildings.

Mr. McCULLOCH. You have said you didn't do a day's work all the time you were on the job?

Mr. WALKER. I did not.

Mr. McCULLOCH. Did the foreman know you were not doing the work?

Mr. WALKER. He had eyes the same as I have.

Mr. McCULLOCH. He did know it, didn't he; or did he?

Mr. WALKER. He surely did.

Mr. McCULLOCH. And what tools did you have?

Mr. WALKER. Try square, 4-foot rule, and a lead pencil.

Mr. McCULLOCH. What could you do with those; much?

Mr. WALKER. Not much of anything.

Mr. McCULLOCH. And you didn't do anything, did you?

Mr. WALKER. Drove a few nails and sawed a board in two once in awhile with tools that I borrowed.

Mr. McCULLOCH. What were the other fellows with you doing?

Mr. WALKER. About the same as I were.

Mr. McKENZIE. Did you make a tool box to carry your tools in?

Mr. WALKER. No; I didn't need it. Put them in my pocket.

Mr. McCULLOCH. Were there others there that had less tools than you had?

Mr. WALKER. They did.

Mr. McCULLOCH. Who was your foreman?

Mr. WALKER. Dave Boyer.

Mr. McCULLOCH. Was he on the job most of the time?

Mr. WALKER. Well, there was for a week that I didn't see anything of him.

Mr. McCULLOCH. How did you check your time in?

Mr. WALKER. We checked in as usual at the checking office of a morning and evening, and the saw filer checked us—he acted as foreman while Mr. Boyer was gone.

Mr. McCULLOCH. He was not a foreman, though?

Mr. WALKER. No, sir.

Mr. McCULLOCH. Did he take Boyer's place?

Mr. WALKER. He did.

Mr. McCULLOCH. And you men were permitted, then, to do as you please, is that it?

Mr. WALKER. Just about that way.

Mr. McCULLOCH. What did you observe as to waste of material?

Mr. WALKER. Well, I saw lots of nails wasted, kegs busted and nails thrown out; never saw any picked up any place after they were thrown out. And, as far as lumber, I saw some little lumber around the barracks wasted, but I never was where they burned any or anything like that, after the foreman told me to stick around on the job.

Mr. McCULLOCH. Did you work as a boiler maker at Camp Sherman?

Mr. WALKER. I did.

Mr. McCULLOCH. How long did you work as a boiler maker?

Mr. WALKER. Nine nights.

Mr. McCULLOCH. How long did you work each night?

Mr. WALKER. The first night I was on the job I worked about six hours, and after that it run from three to five hours.

Mr. McCULLOCH. What made you change your time; what was the difference?

Mr. WALKER. Because we got done sooner after the first night.

Mr. McCULLOCH. Did you notice any idling during that time?

Mr. WALKER. We didn't; no. We worked hard during that time in order to get home.

Mr. McCULLOCH. Did you get paid for 11 hours?

Mr. WALKER. We did—I did.

Mr. McCULLOCH. Have you any other matter that you desire to bring to the attention of the committee that might throw any light on waste of materials or idleness of men?

Mr. WALKER. The fellows that were with me working as a boiler maker; there was another boiler maker and a machinist helped us at night on the steam-shovel boiler, and they were getting paid for day and night work both.

Mr. McCULLOCH. Working how much; how long?

Mr. WALKER. They worked in day time and worked the same as I did at night; three and four hours.

Mr. McCULLOCH. How do you know they were getting paid at night?

Mr. WALKER. I knew the men personally and they told me that they got it. I know they were working day time; saw them working day time, and they worked with me at night—or I worked with them rather. They just hired me extra.

Mr. McCULLOCH. Well, then, they worked both day and night, didn't they?

Mr. WALKER. They worked about three hours at night.

Mr. McCULLOCH. Well, there can't be anything wrong with paying a man if he worked during the day and also at night, can there?

Mr. WALKER. Well, they didn't work all night.

Mr. McCULLOCH. But you claimed they got paid for all night and only worked how many hours?

Mr. WALKER. Three and four hours.

Mr. McCULLOCH. How many of them were there that were working in that way?

Mr. WALKER. There was one boiler maker and there was about three machinists that switched off—took night about.

Mr. McCULLOCH. Well, did they all get paid every night or they only get paid when they check in?

Mr. WALKER. The ones that were working got paid for that time.

Mr. McCULLOCH. There wasn't anything wrong with that, was there?

Mr. WALKER. No; they were out there for the foreman; nothing wrong paying them.

Mr. McKENZIE. Did you get double pay for night work?

Mr. WALKER. No, sir; I got straight time at night. I got 11 hours for 10, time and a half for—

Mr. McCULLOCH. Your complaint about that is that these men only worked 3 or 4 hours, but got paid for 11 hours—is that right—at night?

Mr. WALKER. They did at night.

Mr. McCULLOCH. Did they get double time?

Mr. WALKER. Yes, sir.

Mr. McCULLOCH. Anything else that you can think of?

Mr. WALKER. Nothing, only that when I was on the carpenter gang we laid in barracks buildings back of general headquarters for three days, and during the three days they built one of these bath houses, probably 12 by 14, 14 by 18 feet, or something like that.

Mr. McCULLOCH. Your entire gang?

Mr. WALKER. Sixty men.

Mr. McCULLOCH. Was the foreman there?

Mr. WALKER. He was.

Mr. McCULLOCH. And he knew that you were not doing anything?

Mr. WALKER. He did.

Mr. McCULLOCH. What, if anything, did he say to you about keeping in the clear?

Mr. WALKER. Well, about half the gang was laying in the upstairs in the barracks back of general headquarters, and he come up where we were at checking time to check the men up, and he says, "I have found you." He says, "To-morrow you fellows have got to work and let the rest of the gang loaf." He says, "Stay away from the windows, so they won't see you over at general headquarters."

Mr. McCULLOCH. He was Bentley's foreman?

Mr. WALKER. He was.

Mr. McKENZIE. Did you take turns after that?

Mr. WALKER. We did for three days.

Mr. McKENZIE. Working in the garret or on the building?

Mr. WALKER. We did for three days; outside of that little bath-house.

Mr. McCULLOCH. What was the foreman's name?  
Mr. WALKER. Dave Boyer.  
Mr. McCULLOCH. I think that is all.  
Mr. DOREMUS. How long have you been a boilermaker?  
Mr. WALKER. I served my apprenticeship, and then I have been a boilermaker four years since my apprenticeship.  
Mr. DOREMUS. Where have you worked at your trade?  
Mr. WALKER. At the B. & O. shops in this city.  
Mr. DOREMUS. Any other place?  
Mr. WALKER. I worked a short time at Huntington, W. Va., on the C. & O., and also on the C. H. & D., at Dayton, Ohio.  
Mr. DOREMUS. Ever do any steam fitting?  
Mr. WALKER. Not outside of regular repair work, boiler work.  
Mr. DOREMUS. What wages were boilermakers receiving in the summer of 1917, if you remember?  
Mr. WALKER. We were receiving at that time 45 cents an hour.  
Mr. DOREMUS. And how much were you receiving as a carpenter?  
Mr. WALKER. Sixty cents.  
Mr. DOREMUS. Who were these two men that got paid for all night work when as a matter of fact they only worked three hours?  
Mr. WALKER. One of them was William Ross, worked for the B. & O.; and the machinists, I can't just recall their names at the present time; but they quit the B. & O. shops and came out here as machinists on the job.  
Mr. DOREMUS. I think that is all.  
Mr. McKENZIE. That is all.

#### TESTIMONY OF MR. W. K. HATFIELD.

(The witness was sworn by Mr. McKENZIE.)  
Mr. McKENZIE. Give your full name.  
Mr. HATFIELD. W. K. Hatfield.  
Mr. McKENZIE. Where do you live?  
Mr. HATFIELD. I live north of the camp here at present. Lived in Chillicothe up to this spring.  
Mr. McKENZIE. What is your business?  
Mr. HATFIELD. Farming.  
Mr. McKENZIE. Were you employed at any time during the construction of Camp Sherman?  
Mr. HATFIELD. Yes, sir.  
Mr. McKENZIE. What was the nature of your employment?  
Mr. HATFIELD. Why, as a teamster; hauling lumber, and on gravel a while.  
Mr. McKENZIE. Were you a farmer at that time?  
Mr. HATFIELD. Yes, sir.  
Mr. McKENZIE. And they hired you together with your team to work at the camp?  
Mr. HATFIELD. Yes, sir; hired with a team here.  
Mr. McKENZIE. What did you do?  
Mr. HATFIELD. I hauled lumber.  
Mr. McKENZIE. How long were you employed at the camp?  
Mr. HATFIELD. Well, I think about six—probably six or seven weeks the first time, and in the fall I came back.

Mr. McKENZIE. And worked for the McGrath Construction Co.?

Mr. HATFIELD. No; worked for Bentley.

Mr. McKENZIE. All of your work was for Mr. Bentley?

Mr. HATFIELD. The principal part, yes; a little bit for McGrath.

Mr. McKENZIE. What pay did you receive for you and your team?

Mr. HATFIELD. Eight and a quarter a day.

Mr. McKENZIE. How long did you work each day?

Mr. HATFIELD. Why, I think—

Mr. McKENZIE. Supposed to work?

Mr. HATFIELD. Supposed to work then?

Mr. McKENZIE. Yes; how many hours?

Mr. HATFIELD. Ten hours.

Mr. McKENZIE. Now, just tell the committee if your services were faithful, or of there is anything that this committee ought to know in connection with this investigation within your own knowledge, we would like to hear it.

Mr. HATFIELD. If my services was faithful, you say?

Mr. McKENZIE. Yes. We ought to know.

Mr. HATFIELD. Well, we tried to do a day's work.

Mr. McKENZIE. You tried to do it?

Mr. HATFIELD. Yes.

Mr. McKENZIE. Well, what was the trouble?

Mr. HATFIELD. Well, it appeared like the bosses would ship us around from one place to another; we was on the road, going backward and forward, more than we was doing anything.

Mr. McKENZIE. Driving around over the camp ground?

Mr. HATFIELD. Yes.

Mr. McKENZIE. Well, what was the cause of that, if you know?

Mr. HATFIELD. I can't say the cause. They would send us some place, maybe to transfer lumber; we would get there, and it wasn't what they wanted. Told them we was sent up to transfer lumber and they told us there was not anything else to do. Go on back where we come from and get back, and maybe they would send us some place else.

Mr. McKENZIE. I want to ask you a straight question. How much of the time that you were employed there did you really work with your team for the Government, and how much of the time were you just idling away, wasting time?

Mr. HATFIELD. Well, I would judge along about 20 per cent of the time that I was idling in.

Mr. McKENZIE. Was there any scarcity of teams?

Mr. HATFIELD. Didn't seem to be.

Mr. McKENZIE. Were there more teams than were necessary?

Mr. HATFIELD. Well, they was awful plenty.

Mr. McKENZIE. Well, what do you say about being more than was necessary to do the work?

Mr. HATFIELD. Oh, I think there was more teams there than necessary.

Mr. McKENZIE. Well, about what percentage more than necessary would you say; could they have done the work with half the teams or two-thirds or three-fourths the teams?

Mr. HATFIELD. Oh, my estimation would be there was 25 per cent of the teams idle.

Mr. McKENZIE. In other words, they could have done the work with three teams that they used four?

Mr. HATFIELD. Yes, sir.

Mr. McKENZIE. You can go ahead if you have any particular thing to ask him.

Mr. McCULLOCH. Who was the foreman who had charge of the loading of the lumber job?

Mr. HATFIELD. His name was Lyons.

Mr. McCULLOCH. What was his first name?

Mr. HATFIELD. I can't tell you.

Mr. McCULLOCH. Did you have a conversation with him in regard to working on this job?

Mr. HATFIELD. Why, I had some; yes.

Mr. McCULLOCH. I wish you would tell us just what the conversation was.

Mr. HATFIELD. Why, he says to me one day, he says, "If you would show me a piece of money," he says, "we might give you the best of it."

Mr. McCULLOCH. How many teams did you have?

Mr. HATFIELD. Had one at the time.

Mr. McCULLOCH. Well, what did you say to that?

Mr. HATFIELD. I didn't say nothing to him. I just walked off and let him be.

Mr. McCULLOCH. Was that all he said to you about it?

Mr. HATFIELD. Yes; that was about all he said; if I would show him a piece of money he would give me the best of it, or see that I get the best of it, or something to that amount, and I thought to myself I wasn't going to do it, and just walked off and let him alone, and from that time on it seemed to me I got the worst end of it.

Mr. McCULLOCH. In what way?

Mr. HATFIELD. He would give me the worst jobs he could get hold of; always hold then back for me.

Mr. McCULLOCH. How many other teamsters were there working under him?

Mr. HATFIELD. Oh, I can't say. I judge there was 50 or 60.

Mr. McCULLOCH. You were not working directly under him, were you; was he your boss?

Mr. HATFIELD. Yes; he was my boss.

Mr. McCULLOCH. How did he treat the other teamsters on that job?

Mr. HATFIELD. Well, they seemed to be getting along the same as I did. I didn't see much difference.

Mr. McCULLOCH. Do you know of any other teamsters that gave him money?

Mr. HATFIELD. Gave him money?

Mr. McCULLOCH. Do you know of any teamsters that gave him money?

Mr. HATFIELD. No, sir; none at all.

Mr. McCULLOCH. You didn't give him any?

Mr. HATFIELD. No, sir.

Mr. McCULLOCH. Was there any time that your teams were off of the job that you got paid?

Mr. HATFIELD. Yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. HATFIELD. Well, in the fall of the year I was working for Brewer on the gravel; I had two teams on then. I sent—the horses was sick and was off of the job; one team had been off three days and the other two.

Mr. McCULLOCH. How much were you getting a day for them?

Mr. HATFIELD. A little over seven. We was working nine hours.

Mr. McCULLOCH. How many days were you off?

Mr. HATFIELD. Well, one team worked three days and the other two.

Mr. McCULLOCH. Three out of seven or three out of six?

Mr. HATFIELD. Three out of seven.

Mr. McCULLOCH. How much did you get for Sundays?

Mr. HATFIELD. We got double time.

Mr. McCULLOCH. All right; now go ahead with it.

Mr. HATFIELD. There was one team was on two days and the other three. I drew pay for six days for one team and seven for the other. I said to the timekeeper, "My teams wasn't on that long." And he says, "Yes, they was; just take it along"; shoved his card out and I signed it and put it in my pocket.

Mr. McCULLOCH. How much would that figure? How much did you draw more than you had earned?

Mr. HATFIELD. Well, I forget now; I had it figured up something like \$50, I think it was; maybe not quite so much.

Mr. McCULLOCH. What?

Mr. HATFIELD. It may not have been quite so much.

Mr. McCULLOCH. And when you protested and said you were not entitled to that much money—

Mr. HATFIELD. Yes, sir; I told Mr. Green.

Mr. McCULLOCH. Just give us the conversation.

Mr. HATFIELD. I said to Mr. Green, he called one team out, and there was six days on it, and I said to Mr. Green, "That team wasn't on," and he says, "Yes, it was," he says, "take it along." And when they called the other one he gave me seven days on that.

Mr. McCULLOCH. Did you protest on that one?

Mr. HATFIELD. No, sir; I didn't.

Mr. McCULLOCH. Took the money?

Mr. HATFIELD. Took the money. Protested on the first one, and he said, "Take it along; it was on."

Mr. McCULLOCH. How do you account for such a thing as that?

Mr. HATFIELD. I can't account for it.

Mr. McCULLOCH. How about the timekeeper checking you in and out?

Mr. HATFIELD. Well, they have checked me in—they checked me out in town.

Mr. McCULLOCH. How is that?

Mr. HATFIELD. They have checked me out in town.

Mr. McCULLOCH. What do mean by that?

Mr. HATFIELD. I was down in town when they checked me out.

Mr. McCULLOCH. How long had you been down town?

Mr. HATFIELD. Well, I took a load down in there to the lower edge of town, and I caught him down there, and I asked him if I had to go up to the check-in station, and he said no. I reached him my check and I went home.



Mr. McCULLOCH. How many hours earlier did you go home than you would have gone if you had checked up regularly?

Mr. HATFIELD. Well, it wasn't over three-quarters of an hour earlier.

Mr. McCULLOCH. What do you say as to whether or not these lax methods in paying out the Government money and in checking out and in these teams was general?

Mr. HATFIELD. Was it general?

Mr. McCULLOCH. Were there other fellows treated the same way you were treated, if you know?

Mr. HATFIELD. I don't know of any.

Mr. McCULLOCH. Are there any other instances that you can relate to the committee where men, either yourself or others, were paid for time that they didn't put in on the job?

Mr. HATFIELD. Why, how is the question?

Mr. McCULLOCH. Are there any other instances—

Mr. HATFIELD. At any other time?

Mr. McCULLOCH. Where you or anyone else to your knowledge was paid for time that they didn't put in on the job?

Mr. HATFIELD. Well, I received time, I think, two or three times that I wasn't on the job—paid.

Mr. McCULLOCH. Give us those instances.

Mr. HATFIELD. There was one day the last of the—when they wound up this hospital—why the team, one time they had only been on two days; I drew pay for three.

Mr. McCULLOCH. Did you protest about that?

Mr. HATFIELD. No, sir.

Mr. McCULLOCH. Why?

Mr. HATFIELD. Why, I had protested about the first, and it didn't do me no good. I didn't think there was any use in me protesting again.

Mr. McCULLOCH. So you just took the money?

Mr. HATFIELD. I took the money; yes, sir.

Mr. McCULLOCH. You say there was two or three instances; any other one now in regard to your own?

Mr. HATFIELD. No.

Mr. McCULLOCH. That would be just those three times?

Mr. HATFIELD. Yes, sir.

Mr. McCULLOCH. And that was for one day the last time?

Mr. HATFIELD. The last time.

Mr. McCULLOCH. One extra day for one team?

Mr. HATFIELD. Yes, sir.

Mr. McCULLOCH. That would be \$7?

Mr. HATFIELD. Seven dollars and some few cents.

Mr. McCULLOCH. Do you know of any case where anyone else to your knowledge drew pay for teams that they didn't have on the job?

Mr. HATFIELD. No; I couldn't state that I know of any others that drew pay.

Mr. McCULLOCH. You have stated to Mr. McKenzie that the teams didn't have enough to do, is that right; that is, you were not busy all the time?

Mr. HATFIELD. Why, no; we were not real busy, what I would call busy.

Mr. McCULLOCH. Did you tell him what percentage of the time you were not busy?

Mr. HATFIELD. Why I think I stated about 20 per cent of my time that I was idle.

Mr. McCULLOCH. Yes. Did you observe any waste of materials on the job while you were working there?

Mr. HATFIELD. Yes, sir; I noticed nails and lumber scattered all over the camp, running over. I say I noticed nails, roofing, and such as that, lumber all over the camp just being run over all the time. It was an everyday occurrence.

Mr. McCULLOCH. You are a practical man; was there waste of material, which in your judgment was willful during all the time you were on that job?

Mr. HATFIELD. Yes, sir.

Mr. McCULLOCH. And if so, to about what per cent?

Mr. HATFIELD. Oh, I judge along, maybe, 15 or 20 per cent.

Mr. McCULLOCH. That is 15 to 20 per cent of the materials in your judgment were wasted that would not have needed to have been wasted, is that right?

Mr. HATFIELD. Yes, sir; it was uncalled for.

Mr. McCULLOCH. And that would be what kind of material; nails, lumber—

Mr. HATFIELD. Nails, lumber—

Mr. McCULLOCH. Roofing?

Mr. HATFIELD. Roofing paper.

Mr. McCULLOCH. What else?

Mr. HATFIELD. Well—

Mr. McCULLOCH. Tar paper?

Mr. HATFIELD. Yes.

Mr. McCULLOCH. That is roofing paper, I suppose?

Mr. HATFIELD. Roofing paper.

Mr. McCULLOCH. Did you ever know of teamsters coming into camp in the morning with the running gears of the wagon and took a platform of lumber away with them in the evening; did you know of them taking lumber away?

Mr. HATFIELD. Why, I have seen them go away there with lumber on their wagons when they were hauling the sewer gang.

Mr. McCULLOCH. Did you know where they took the lumber?

Mr. HATFIELD. Why, I suppose they took it home for all I know. They would come in the next morning and have to have a bottom for their wagon.

Mr. McCULLOCH. Was this known to the foreman?

Mr. HATFIELD. It was known to the foreman that we were working under. I couldn't give you his name just at present.

Mr. McCULLOCH. Just tell us about that; just tell us what you saw.

Mr. HATFIELD. Why, I saw teams go out of there with 3-inch lumber on, 12 and 14 feet long, we had for a bottom to haul this big sewer, and they would come back the next morning without anything on their wagon at all.

Mr. McCULLOCH. You say the foreman saw them take the lumber away, do you?

Mr. HATFIELD. Well, I don't see how he could help it.

Mr. McCULLOCH. Well, did he see it; do you know whether he saw it or not?

Mr. HATFIELD. No, no; I can't state that he saw it.

Mr. McCULLOCH. Well, he was there and saw them leave with it?

Mr. HATFIELD. He was there and saw them go away and saw them come back the next morning.

Mr. McCULLOCH. And if he knew anything he ought to know they had it when they went and didn't have it when they came back.

Mr. HATFIELD. If he was on his job and done his duty I suppose he could have seen it, if he had used his eyes, as well as I.

Mr. McCULLOCH. Did you know anything about Charles Rothe, a boss teamster checking in his own team?

Mr. HATFIELD. Nothing, only what was told me.

Mr. McCULLOCH. You don't know anything about that of your own knowledge?

Mr. HATFIELD. No, sir.

Mr. McCULLOCH. I think that is all.

Mr. McKENZIE. I would like to ask this gentleman one question. At the time you got this additional pay, if I figure it right, you were paid for 14 days, with the one day additional; seven days for one team and six for the other, and then on another occasion one day?

Mr. HATFIELD. Yes, sir.

Mr. McKENZIE. That makes 14 days' pay when as a matter of fact you had only rendered 5 days' service, 3 days for one team and 2 for the other. Now, the question I want to ask you is whether or not at the time you received that pay you knew that the United States Government was paying the bills or did you think that Mr. Bentley was paying the bills?

Mr. HATFIELD. Did I think that the United States Government—I thought the United States Government was paying the bills.

Mr. McKENZIE. You thought the United States Government was paying the bills?

Mr. HATFIELD. Yes, sir.

Mr. McKENZIE. And you still have that money?

Mr. HATFIELD. I still have it; yes, sir. I haven't received it back.

Mr. McKENZIE. But you felt it was no particular fault of yours if the Government agents wanted to pay you overtime or pay you money you hadn't earned; that was up to the Government?

Mr. HATFIELD. That was up to their employees.

Mr. McKENZIE. Yes; I think that is all I want to ask you.

Mr. McCULLOCH. That is all.

Mr. DOREMUS. Who was the man who spoke to you about giving him a piece of money?

Mr. HATFIELD. His name is Lyons.

Mr. DOREMUS. Do you know his first name?

Mr. HATFIELD. No, sir; I do not.

Mr. DOREMUS. Do you know where he lives?

Mr. HATFIELD. No. I have heard him say but I can't recall—it is in the northern part of the State some place.

Mr. McCULLOCH. It was Bentley's foreman, wasn't it?

Mr. DOREMUS. You are sure you don't know his first name?

Mr. HATFIELD. No; I don't know his first name.

Mr. DOREMUS. Didn't you testify a few minutes ago that his first name was William?

Mr. HATFIELD. No, sir.

Mr. DOREMUS. What was the name of the timekeeper to whom you protested about taking this—

Mr. HATFIELD. Lou Green.

Mr. DOREMUS. Where does he live?

Mr. HATFIELD. I can't say.

Mr. DOREMUS. That is all.

### TESTIMONY OF MR. JESSE BRANDON—Recalled.

Mr. McKENZIE. You are under oath.

Mr. McCULLOCH. Yes; you were sworn this morning, weren't you?

Mr. BRANDON. Yes, sir.

Mr. McCULLOCH. Have you looked up the name of that—

Mr. BRANDON. Ward Bayliss was his name.

Mr. McCULLOCH. Where is he now?

Mr. BRANDON. Why, he is in Wilberforce. He belongs on the Wilberforce football team and he is over there to-day playing football. He said—it might have been fifty—between fifty and a hundred.

Mr. McCULLOCH. What did he say about that?

Mr. BRANDON. That is what he told me. He told me he got it this way, you know; it was through this way that you know sometimes at the camp you know there are times when pay would be short, would be short, and then Monday morning they always—there was a big car come through the camp paying off short orders, you know, short pay, and that is the way he got it. They gave him that money through the short pay, you know, Monday morning, you know, when they pay them on Monday morning. Every Monday morning there would be a big truck—pay car—paying short you know—always there would be some short, you know, some men would be short pay, and that is the way they always paid them, so that is the way he got it.

Mr. McCULLOCH. Bayliss got how much?

Mr. BRANDON. Fifty dollars, I think—thirty—I think it was fifty anyhow; it may not have been so much, but it was lots more than coming to him.

Mr. McKENZIE. You said this morning a hundred.

Mr. BRANDON. It might have been a hundred, I don't know. I disremember now—somewhere in there.

Mr. McKENZIE. You are not very sure about it?

Mr. BRANDON. No; but it was money, but he told me down there, in fact.

Mr. McCULLOCH. I judge his evidence would be the best upon the subject.

Mr. DOREMUS. You are sure he told you he got some money?

Mr. BRANDON. Yes, sir; I am sure about that.

Mr. DOREMUS. What did you mean when you told us this morning he told you he got a hundred dollars?

Mr. BRANDON. What did I mean?

Mr. DOREMUS. Yes.

Mr. BRANDON. Well, I studied over it and I thought this—maybe I am wrong—that is the reason why I said that.

Mr. DOREMUS. I see.

Mr. BRANDON. He said some money.

Mr. DOREMUS. You don't know now whether it was fifty or a hundred?

Mr. BRANDON. No; I don't know whether it was fifty or a hundred.

Mr. DOREMUS. Or thirty?

Mr. BRANDON. Or thirty; probably not; I don't know.

Mr. DOREMUS. Do you think it was twenty?

Mr. BRANDON. Yes; it was twenty.

Mr. DOREMUS. What was this man's name?

Mr. BRANDON. His name is Ward Bayliss.

Mr. DOREMUS. Bayliss?

Mr. BRANDON. Yes; Bayliss.

Mr. DOREMUS. How did you find out his name?

Mr. BRANDON. I worked with him here on the camp.

Mr. DOREMUS. I know; but when you were testifying here this forenoon you didn't know his name.

Mr. BRANDON. I saw——

Mr. DOREMUS. How did you find it out since?

Mr. BRANDON. Well, I thought of his name before I left the house. I couldn't think of his name while I was here. I told him before I left.

Mr. McKENZIE. All you are sure of is he told you.

Mr. BRANDON. Yes; sure.

Mr. McKENZIE. I guess we will let you go.

Mr. BRANDON. I know he did.

Mr. McCULLOCH. Do you want to find out where Bayliss lives?

Mr. DOREMUS. Do you know where Bayliss lives?

Mr. BRANDON. I think he lives down on Seventh Street here.

Mr. DOREMUS. In Chillicothe?

Mr. BRANDON. In Chillicothe; on Seventh or Eighth, I forget which.

Mr. McKENZIE. He is away at a football game?

Mr. BRANDON. He is away at a football game at Wilberforce.

Mr. DOREMUS. That is all.

#### TESTIMONY OF MR. W. H. MURPHY, CHILLICOTHE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. State your name to the stenographer.

Mr. MURPHY. W. H. Murphy.

Mr. McCULLOCH. You live at 358 Madeira Avenue?

Mr. MURPHY. South Madeira Avenue; yes, sir.

Mr. McCULLOCH. Chillicothe, Ohio?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. Did you work under the McGrath at Camp Sherman?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. Did you work under the Bentley Construction Co.?

Mr. MURPHY. No, sir.

Mr. McCULLOCH. What did you do?

Mr. MURPHY. I drove team for W. A. Fisher.

Mr. McCULLOCH. Before you went to work at Camp Sherman did you stable some of the teams in Chillicothe?

Mr. MURPHY. Yes, sir; I had charge of a barn at 32 East Water, Chillicothe.

Mr. McCULLOCH. How many teams did you have there?

Mr. MURPHY. As high as 20 at one time.

Mr. McCULLOCH. Did you have any conversations with teamsters in regard to the work they had done at the camp?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. Who did you talk to?

Mr. MURPHY. Well, I talked to different ones. I wouldn't be able to tell the names, because there was so many coming and going all the time, I don't think I could give you the names.

Mr. McCULLOCH. Can you give the names of anyone you talked to?

Mr. MURPHY. Mitchell; I remember him.

Mr. McCULLOCH. Who?

Mr. MURPHY. Mitchell.

Mr. McCULLOCH. Anyone else?

Mr. MURPHY. And Dyer and Reid, I remember those three, but they were coming and going all the time. In fact, I can't just remember the names of all of them.

Mr. McCULLOCH. Did you talk with them frequently about what was going on here?

Mr. MURPHY. Yes, sir; every evening. When they came in I would laugh and joke with them at the barn.

Mr. McCULLOCH. Can you name any specific one of these men and give us the conversation in regard to what they did there?

Mr. MURPHY. Otto Dyer had a team there, and he came in there one evening and I says to him, I says, "Well, how did they treat you to-day?" "Oh," he says, "they worked me awful hard." I says, "How does that come?" He says, "I put a load of lumber on this morning and unloaded it this evening before I came away." "How does that come?" I says. And he says, "Well, I loaded it, and they sent me to one place, and I stopped there and waited, sit down on a wagon, and about the time I would go to sleep and maybe somebody come along and wake me up and ask me where this lumber went, and I told them the bill calls for here. 'Well,' they says, 'we have got no bill of that kind here,'" and send him some place else.

Mr. McCULLOCH. Any other conversation with any specific men that you can name that was working on this job?

Mr. MURPHY. Mitchell was something the same way; yes, sir.

Mr. McCULLOCH. Same kind of a talk with Mitchell?

Mr. MURPHY. Yes, sir; always joking with them when they came in the barn at night.

Mr. McCULLOCH. Now, you worked on this job yourself under McGrath?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. As a teamster?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. What can you tell the committee as to what you observed as to idleness and waste while you were on the job yourself?

Mr. MURPHY. Well, I weren't there steady. I was there just at different times for Fisher there, and, in fact, when I didn't have no other team I suppose in different times for two months, I hauled

lumber up here; we loaded lumber in the cars. I hauled telephone poles and hauled rubbish of different kinds, cleaning up around the cantonment.

Mr. McCULLOCH. Did you at any time haul the sweepings, the cleaning up from the buildings as they were finished?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. Will you tell the committee what this stuff was that you hauled away and where you hauled it?

Mr. MURPHY. Yes, sir; the different kinds of lumber. There were some 2 by 4's and 2 by 6's and sheathing, and siding, lumber of different kinds.

Mr. McCULLOCH. Was it good lumber?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. Lumber that could be used?

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. Where did you haul it to?

Mr. MURPHY. Hauled it to the southwest corner of the cantonment.

Mr. McCULLOCH. What happened to the lumber, what was done with it?

Mr. MURPHY. Why it was piled up there in a rubbish pile.

Mr. McCULLOCH. Was it afterwards used or do you know anything about that?

Mr. MURPHY. I don't know, I can't say.

Mr. McCULLOCH. Was there any attempt made to sort the material taken out of these various buildings before you hauled the stuff away, or did you haul away just as it was taken out of there?

Mr. MURPHY. Now, I wouldn't be able to say that, but they sent us there and we would get what was there, different kinds of lumber that could be used.

Mr. McCULLOCH. What do you say as to whether or not there were too many teams on this job under McGrath?

Mr. MURPHY. Well, I have on several occasions visited the camp here when McGrath was here, and I have come here several times—

Mr. McCULLOCH. Well, you were working here, weren't you, as a teamster?

Mr. MURPHY. Oh, yes, sir. Well, several times you find teams standing here and there every place.

Mr. McCULLOCH. What do you say as to whether or not there were too many teams on this job when you were working here?

Mr. MURPHY. Well, it looked that way to me; yes, sir.

Mr. McCULLOCH. Now, how many too many?

Mr. MURPHY. Well, now I wouldn't be able to say.

Mr. McCULLOCH. You are not a carpenter?

Mr. MURPHY. No, sir.

Mr. McCULLOCH. I will read you this statement, memoranda before me:

While I was working there under McGrath on most of the jobs that I saw teams working one team could have easily done as much as any ten I saw there, but the result of employing several times the number of teams needed to do the work.

Mr. MURPHY. Yes, sir.

Mr. McCULLOCH. Is that a correct statement?

Mr. MURPHY. Yes, sir; that is correct; yes, sir.

Mr. McCULLOCH. I think that is all.

Mr. DOREMUS. Where was this scrap pile located to which you hauled this lumber after the job was completed?

Mr. MURPHY. Southwest corner of the cantonment.

Mr. DOREMUS. That is about how far from here?

Mr. MURPHY. Well, now I didn't measure it. I can't tell you.

Mr. DOREMUS. Well, is it 1 mile, 2 miles, or 3 miles?

Mr. MURPHY. About a mile and a half, probably.

Mr. DOREMUS. About a mile and a half?

Mr. MURPHY. Yes, sir.

Mr. DOREMUS. Do you know whether that scrap pile is there now or not?

Mr. MURPHY. I can't say.

Mr. DOREMUS. How?

Mr. MURPHY. No, sir; I can't say.

Mr. DOREMUS. That is all.

### TESTIMONY OF MR. CHARLES AULT.

(The witness was sworn by Mr. McKenzie.)

Mr. MCKENZIE. Give your name to the stenographer there.

Mr. AULT. Charles Ault.

Mr. McCULLOCH. You are a teamster, are you?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Did you have your team on this job here at Camp Sherman?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Did you work under both Bentley and McGrath?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. About how many months were you on the job?

Mr. AULT. Why, I was all through the Bentley contract.

Mr. McCULLOCH. How about McGrath?

Mr. AULT. Why, a month or two—about three months under McGrath.

Mr. McCULLOCH. Under what foreman did you work—Frank Perry?

Mr. AULT. Why, most of the time; yes.

Mr. McCULLOCH. That is, under the Bentley contract with Perry?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Who was it under McGrath?

Mr. AULT. Hatfield.

Mr. McCULLOCH. Now, while you were working under Bentley, what do you say as to whether or not they had too many teams on the job?

Mr. AULT. Well, they had too many.

Mr. McCULLOCH. In what proportion?

Mr. AULT. Oh, half, anyhow.

Mr. McCULLOCH. And were they idle?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. How much of the time were they idle?

Mr. AULT. About half.



Mr. McCULLOCH. Did the foremen and the representatives of the Bentley Construction Co. know that these teams were idle, to your knowledge?

Mr. AULT. Well, they couldn't help but know it. I never heard them say anything about it.

Mr. McCULLOCH. Well, were they around there so they could see it the same as you?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Did you ever have any conversation with any foremen representing the Bentley Co. in regard to the amount of work you should do or whether you should—well, how did you work while you were on the job?

Mr. AULT. Well, I went about as slow as I could go to keep in line with the rest of them.

Mr. McCULLOCH. Were they all going slow?

Mr. AULT. Going slow, or stop and have the road blocked; yes, sir.

Mr. McCULLOCH. Now, as a practical man and a teamster, I wish you would tell the committee just what, in your judgment, the loss to the Government was as a result of the methods of handling the teams on the Bentley job.

Mr. AULT. You mean how much more teams were paid for than what they did?

Mr. McCULLOCH. Yes, sir.

Mr. AULT. Well, half or two-thirds.

Mr. McCULLOCH. And while they were paying for this extra amount of teams what was going on; were they working?

Mr. AULT. Yes; they stopped and they didn't haul loads; just hauled about third loads.

Mr. McCULLOCH. And you think it was from a half to two-thirds loss?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. That is, one-third of the teams could have done what the whole bunch did; is that right?

Mr. AULT. Could if they had worked like I have on other jobs; yes.

Mr. McCULLOCH. Can you give us some instances now so the committee can get a clear idea of the situation as to just what occurred—some special instances like in the hauling of lumber, or you say you went as slow as you could? Can't you give us some idea of how this time was put in?

Mr. AULT. Why, it was put in sitting around waiting for them to tell you what to do. When you would have a load on maybe sit an hour before they would tell you where to unload it; maybe more than that.

Mr. McCULLOCH. How many loads would you make a day to the lumber company and back?

Mr. AULT. Down to Chillicothe?

Mr. McCULLOCH. To Chillicothe.

Mr. AULT. I didn't haul only at the start of it when we had to haul lumber from there. About one load.

Mr. McCULLOCH. One load a day?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Did you have a talk with the foreman about keeping clear of the Army fellows?

Mr. AULT. No. I have heard them talk it, but they never said anything to me about it.

Mr. McCULLOCH. Are you the fellow that hauled the keg of nails around over the camp all day?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. AULT. Well, they sent me one place with it and I took it, and they didn't want it and I went back and they sent me some place else.

Mr. McCULLOCH. Kept that one keg of nails on your wagon all day?

Mr. AULT. Most all day.

Mr. McCULLOCH. Is that all you got accomplished that day?

Mr. AULT. That is all I got.

Mr. McCULLOCH. Did you get paid for it?

Mr. AULT. Yes, sir.

Mr. AULT. How much?

Mr. AULT. Eight dollars and a quarter.

Mr. McCULLOCH. What was the keg worth?

Mr. MOHLER. Three ninety or four dollars.

Mr. McCULLOCH. What, if anything, did you observe as to the waste of materials on this job under the Bentley contract?

Mr. AULT. Well, there was a lot of lumber run over and broken up and then hauled to the scrap pile.

Mr. McCULLOCH. What happened to it after it got to the scrap pile?

Mr. AULT. I suppose it was burned up.

Mr. McCULLOCH. Did you see lumber burned?

Mr. AULT. No.

Mr. McCULLOCH. What, if any, change was there in conditions under the McGrath contract?

Mr. AULT. You mean in materials?

Mr. McCULLOCH. Well, no; as to the number of teams on the job, in excess of what was necessary.

Mr. AULT. Well, they worked them harder than the Bentley contract.

Mr. McCULLOCH. How much harder?

Mr. AULT. Well, right smart.

Mr. McCULLOCH. Well, now you have talked about two-thirds and one-third. Give us some idea under the McGrath contract.

Mr. AULT. About half.

Mr. McCULLOCH. Do you think that half of the teams could have done what all of you did on the McGrath contract?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Did you have a conversation with your foreman under McGrath in regard to idleness of the teams?

Mr. AULT. No, sir. He never told me to move them.

Mr. McCULLOCH. What do you say as to the percentage of lumber and other materials in your opinion and in the light of your observation on the grounds——

Mr. AULT. That was wasted?

Mr. McCULLOCH. That was wasted.

Mr. AULT. Oh, 10 per cent.

Mr. McCULLOCH. What do you mean, by willful waste; good material?

Mr. AULT. Yes.

Mr. McCULLOCH. You mean 10 per cent over and above what would be ordinarily wasted on a job or 10 per cent general waste?

Mr. AULT. That was just run over and split up.

Mr. McCULLOCH. When you talk about waste you are talking about lumber you saw destroyed by trucks running over it?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. You are not talking about destruction by cutting on the job?

Mr. AULT. No, sir.

Mr. McCULLOCH. Just what you observed as a teamster?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. And you say 10 per cent of the material was wasted in that way?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Have you got any other matter that you can bring to the attention of this committee that might throw light upon the subject of waste and idleness on that job?

Mr. AULT. Well, not that I can think of.

Mr. McCULLOCH. Have you gone to the lumber yard at any time for lumber and had to wait all day in order to get into the yard?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. And then not get in and wait till the next day at noon before you got in?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. Did that happen frequently?

Mr. AULT. No; just a few days in the start, before they got lumber shipped up here.

Mr. McCULLOCH. Well, that might be a natural result of the congested condition; is that true?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. But this idleness, or this one-third under the Bentley contract and one-half under the McGrath contract, as I understand you to say, ran along during the entire contract?

Mr. AULT. Well, it did all that summer; yes.

Mr. McCULLOCH. Or were there times when the percentage of teams would be—that were needed would be more than one-third?

Mr. AULT. Well, it would run about the same all the time.

Mr. McCULLOCH. All through the entire contract?

Mr. AULT. Yes, sir.

Mr. McCULLOCH. That is all.

Mr. MCKENZIE. I want to ask a little more about that day that he put in on the keg of nails. What time did you go to work in the morning?

Mr. AULT. I think it was 7 o'clock.

Mr. MCKENZIE. You hauled that around all forenoon?

Mr. AULT. Yes, sir.

Mr. MCKENZIE. And then did you stop for dinner?

Mr. AULT. Yes, sir.

Mr. MCKENZIE. And fed your team?

Mr. AULT. Yes, sir.

Mr. McKENZIE. After dinner, or lunch, hitched up again?

Mr. AULT. Took an hour; yes.

Mr. McKENZIE. Started out with the keg of nails?

Mr. AULT. Yes, sir.

Mr. McKENZIE. And hauled it all the afternoon without finding a place to put it?

Mr. AULT. Yes, sir.

Mr. McKENZIE. During that time did you go back to the office more than once?

Mr. AULT. I was back to the office four or five times.

Mr. McKENZIE. And they would start you out on another?

Mr. AULT. Yes, sir.

Mr. McKENZIE. And you would start off with the keg of nails?

Mr. AULT. Yes, sir; with the order. They would give me an order where to take it.

Mr. McKENZIE. And when you would get to that place they didn't need it?

Mr. AULT. No.

Mr. McKENZIE. And you came back?

Mr. AULT. And at quitting time I took it back and throwed it off and came home.

Mr. McKENZIE. The nails were never delivered, as a matter of fact?

Mr. AULT. I don't know. I never delivered them.

Mr. McKENZIE. That is all. I just wanted to get the details of that day's work.

#### TESTIMONY OF MR. JOHN H. BARNES, CHILLICOTHE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is John H. Barnes, 370 McKellar Street, Chillicothe, Ohio?

Mr. BARNES. Yes, sir.

Mr. McCULLOCH. Did you work under the Bentley Co. on Camp Sherman?

Mr. BARNES. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. BARNES. Carpenter.

Mr. McCULLOCH. Did you work under McGrath also?

Mr. BARNES. Yes.

Mr. McCULLOCH. Did you work for McGrath?

Mr. BARNES. A short time under McGrath.

Mr. McCULLOCH. About eight weeks for McGrath?

Mr. BARNES. I think so; something like that.

Mr. McCULLOCH. And how long for the Bentley Construction Co.?

Mr. BARNES. Well, I went to work on the 19th of June and I think it was along about the 5th of October—17th—

Mr. McCULLOCH. Up to the finish of the contract; is that right?

Mr. BARNES. Just a week or two; maybe probably we finished up the barracks right across here; we was done with the barracks when I quit. That is, his first contract.

Mr. McCULLOCH. Well, you were with them practically all the time of the Bentley first contract?

Mr. BARNES. Yes.

Mr. McCULLOCH. How long have you been a carpenter?

Mr. BARNES. Well, I have been working at it for 40 years.

Mr. McCULLOCH. You ought to be pretty well qualified as a carpenter. Do you regard yourself as qualified?

Mr. BARNES. Well, I always get by with it.

Mr. McCULLOCH. How many men did you have in your gang—you were not a foreman?

Mr. BARNES. No, sir.

Mr. McCULLOCH. How many men did you have on your gang?

Mr. BARNES. Well, let's see. We had about—I think we had 15 in the beginning; 15 men in the beginning.

Mr. McCULLOCH. Well, did the gangs increase as time went on in number?

Mr. BARNES. Well, not with our gang until our foreman was transferred and we were put in another gang, and then we increased.

Mr. McCULLOCH. How many did you have after you were transferred?

Mr. BARNES. Twenty-five, 30, and 35, etc.

Mr. McCULLOCH. What percentage of the men—just roughly now—were carpenters and what percentage were not carpenters?

Mr. BARNES. Well, I hardly know; but I would judge that there were not more than 50 per cent of the men employed that were carpenters.

Mr. McCULLOCH. What do you say as to whether or not there were too many men on the job?

Mr. BARNES. Well, there were too many men on the job to get the work out.

Mr. McCULLOCH. Did having too many men on the job result in delay in the work?

Mr. BARNES. Oh yes, yes; and there was so much more confusion, you know, that people couldn't get to the work; they was in each other's road.

Mr. McCULLOCH. Now, with your wide experience as a carpenter, I wish you would tell the committee just briefly what the effect of all this was on the cost of the building of the buildings, and on the speed with which they could have been constructed, or should have been constructed.

Mr. BARNES. I believe that half the men—that is, I mean if they were workmen, carpenters—could have accomplished and built this cantonment in the length of time that all the men did that was employed in the contract. I think half the men could have—carpenters, workmen—could have accomplished the building of the cantonment in the length of time that—

Mr. McCULLOCH. Did you notice any idleness among the men?

Mr. BARNES. Well, now, when I first commenced to work at the camp I commenced on the barracks. John Reichle was my foreman. I worked with John Reichle up to the 5th—along about the 5th of September, I believe, or maybe it was a little earlier than that, up in section 2, and then we were transferred from there, or he was taken from us and made superintendent of the various foremen, and put

another foreman over us. Well, I hadn't never in all that time, I hadn't noticed so very much waste, because we had a gang of our own there that we brought from town that we worked together down there, when we came away and we all worked together, and I hadn't noticed much waste nor much loafing until I got in this other bunch.

Mr. McCULLOCH. When you got there tell us what you saw.

Mr. BARNES. Well, when I got over there I found that, I think, that at least half of the time was wasted on the job.

Mr. McCULLOCH. Well, now, were the foremen about there; this new foreman that you had, was he around there?

Mr. BARNES. He was there.

Mr. McCULLOCH. Did he know what was going on?

Mr. BARNES. Well, in fact, he didn't know much of anything.

Mr. McCULLOCH. Well, he was representing the contractor?

Mr. BARNES. Yes.

Mr. McCULLOCH. He had a man of your experience as one man under him, and he was there to direct your work, was he not?

Mr. BARNES. He only stayed with us three days after we were transferred in that gang.

Mr. McCULLOCH. Well, then, did somebody else come on there, a new foreman?

Mr. BARNES. Yes, sir.

Mr. McCULLOCH. Who was the new foreman?

Mr. BARNES. Well, now, I don't know his name, but he was the foreman that Mr. James worked under that testified here this morning. I forget his name. And we were transferred then to him, and later on I was put back in Bill Gunther's gang. I left the gang over here just at the close of the Bentley season.

Mr. McCULLOCH. What I want to get at is did the foreman know about the idleness of the men; was there any conversation had with him about the idleness of the men, about the way the job was being conducted?

Mr. BARNES. Well, I didn't have any conversation with him, only this: I told him this, that if I didn't know any more about the business than he did I would hate to come from Portsmouth up here to rob the Government. Now, that is all the conversation that I and he ever had between us.

Mr. McCULLOCH. He didn't say anything in answer to that?

Mr. BARNES. No.

Mr. McCULLOCH. But he was put over you by the Bentley Construction Co.; he was your boss?

Mr. BARNES. He was my boss.

Mr. McCULLOCH. And under him there was idling?

Mr. BARNES. Yes, sir.

Mr. McCULLOCH. And waste of time to the amount of 50 per cent you say?

Mr. BARNES. Fifty per cent at least.

Mr. McCULLOCH. And as the representative of the contractor he couldn't help but know it, could he?

Mr. BARNES. Sure not.

Mr. McCULLOCH. Now, will you tell us—you are sure he knew it; is that right?

Mr. BARNES. Oh, yes, sir.

Mr. McCULLOCH. I wish you would tell the committee now what you observed in regard to waste of material.

Mr. BARNES. Well, there were an awful waste of material in different ways, tearing down, building up and tearing down, throwing away; running over it with trucks and sawing off a board to get a small piece off and throwing the rest away. It was a waste on every hand.

Mr. McCULLOCH. In your 40 years experience as a carpenter did you ever see anything like it?

Mr. BARNES. Nothing. Oh, I should say not. We had a barracks up here that the window at the head of the stair landing was 4 inches out of the way. All along the barracks of the second floor we had our windows all in. The scratch boss come along and detected the 4 inches of the window at the head, and I was working away then and the first thing I knowed I heard an awful noise and looked down the line and the fellows with their sledge hammers and scantling knocking the siding off all down between those windows. I says "what is the matter?" He says "this window will have to be moved." Well, I says, "you don't have to move the whole barracks to move that one window, do you?" But they knocked the whole siding—

Mr. McCULLOCH. What did they say?

Mr. BARNES. He said the scratch boss told them to do it. And it was 60—the barracks was about 120 feet long, I think, and the stairway came up about the center, so you see all those windows from there up to here—to the stairway—were sided up and finished, and they were all knocked out clear up to this window in order to get that window over 4 inches, when we could have set it over 4 inches there by cutting out—in an hour we could have fixed it where it took all these men 3 or 4 days to knock that siding off and put it back.

Mr. McCULLOCH. Well, tell this committee how you account for that kind of a procedure.

Mr. BARNES. Well, I don't know how to, only just that it was willful waste of time and material.

Mr. McCULLOCH. There was no reason for it being done at all?

Mr. BARNES. Not a bit in the world. We could have set that window over without interfering with any of those windows along this side. Only 4 inches, you know.

Mr. McCULLOCH. Are you a taxpayer?

Mr. BARNES. Yes, sir.

Mr. McCULLOCH. You look to me like a very substantial citizen. Now, I would like to ask you from your experience as a carpenter and as a practical man whether or not, in your judgment, there was a systematic effort made to increase the cost of this camp?

Mr. BARNES. It looked very much to me like it—like it was arranged in that way. Now, for instance, we take the pay system we had, it was very poor. The boys would go for their checks down here and they didn't get them; well, then, they would come back to the job and the foreman would order them back to get their money on the next day. On Sunday down there there was a line half a mile long of men drawing their \$12 for Sunday—

Mr. McCULLOCH. Double time?

Mr. BARNES. Double time to get back to get 40 to 60 cents' shortage or maybe a whole day's shortage. And they stayed there in line all day, and one Sunday in the hottest day in July they sweat there in that line all day at \$12 a day.

Mr. McCULLOCH. To get a shortage?

Mr. BARNES. To get a shortage, or maybe 30 or 60 cents, or something like that.

Mr. McCULLOCH. Did you ever hear of anything like that occurring in private business?

Mr. BARNES. Never in my life.

Mr. McCULLOCH. Now, what do you say to this, as to whether or not, in your opinion, the contractor knew about this willful waste of time and material; was it within the contractor's knowledge or his agents, his foremen, and his superintendents?

Mr. BARNES. Why, sure it was, sure it was within their knowledge.

Mr. McCULLOCH. You didn't have any conversation, as I understand, with any other foremen or any superintendent or anyone about this thing?

Mr. BARNES. No, sir; no. When we came on the job we fetched our own bunch and we worked. I think I done five months of the hardest work of my life right on this camp.

Mr. McCULLOCH. You tried to earn your money?

Mr. BARNES. I tried to earn my money.

Mr. McCULLOCH. And while you were trying to do that, trying to earn your money, will you tell the committee what the other men on the job were doing?

Mr. BARNES. Well, after we—as I told you before, after we go from under Riechle and go with this other foreman they were idling away their time. They were going over to the corn field up here and hiding in the corn, etc., and you could see them go most anywhere you went, see a crap game going on out there. But that didn't exist down there under Mr. Riechle nor Mr. Gunther. I can say that for those fellows.

Mr. McCULLOCH. But it did exist under the other foremen?

Mr. BARNES. Yes, sir.

Mr. McCULLOCH. And did it continue for a considerable length of time?

Mr. BARNES. Well, until I got through with Mr. Bentley.

Mr. McCULLOCH. Until the end of the Bentley contract?

Mr. BARNES. Of the Bentley contract. That was along, I think, about something like the 5th of September that we were transferred into this gang out from Riechle, something like September. Maybe it was earlier than that, in August, and then when we quit over here then I went to work for Mr. Gunther with McGrath.

Mr. McCULLOCH. What were the conditions there?

Mr. BARNES. Well, so far as we were concerned, Mr. Gunther tried to produce the goods. He kept us at work.

Mr. McCULLOCH. How about the other gangs that you observed?

Mr. BARNES. Well, as I say, you could see them loafing; you could see them going here and there and didn't appear to be much interested.

Mr. McCULLOCH. Did the same conditions seem to prevail that prevailed before?

Mr. BARNES. Which?



Mr. McCULLOCH. Not in your gang, but the other gang. Did the same conditions prevail as to idleness?

Mr. BARNES. Yes.

Mr. McCULLOCH. How about the waste of material?

Mr. BARNES. Well, the waste of material was—I hardly believe that the waste of material under the McGrath part of it was as much as it was in the per cent as it was in the Bentley.

Mr. McCULLOCH. Was it considerable?

Mr. BARNES. Oh, yes, it was considerable; considerable.

Mr. McCULLOCH. Much more than it should have been in your judgment?

Mr. BARNES. Oh, yes; yes.

Mr. McCULLOCH. How much more?

Mr. BARNES. Well, I should judge it was 15 or 20 per cent more than—

Mr. McCULLOCH. Should have been?

Mr. BARNES. Should have been.

Mr. McCULLOCH. How did this all appeal to you in the light of the emergency? I ask you that because you are a man of experience.

Mr. BARNES. Well, I told some of the fellows that were working that they were disloyal.

Mr. McCULLOCH. You thought it amounted to disloyalty?

Mr. BARNES. Amounted to disloyalty; that is what I thought it did because just at that time we were in a war, and we were rushed to get this place fixed up in order to drill them to send them over; and to see that state of affairs existing, it didn't seem anything else to me but disloyal.

Mr. McCULLOCH. You had a son in the Army?

Mr. BARNES. I had two in France. One got home last Sunday week; served two years in France. I felt interested in doing what I could do, and I have done what I could do all the way through the war.

Mr. McCULLOCH. And this procedure that went on here, in your judgment, amounted to disloyalty upon the part of whom now, the men or the contractor, or the system, or what?

Mr. BARNES. Well, whether we could blame it on the Government or whether we could blame it on the fellows who are under the Government, that is authorized by the Government to do these things, but there was a mistake made when they gave it over to Bentley for a per cent.

Mr. McCULLOCH. You think that was the cause of it?

Mr. BARNES. Well, in a great measure that was the cause of a good deal of this recklessness because the bars were laid down there to do anything you wanted to. If you get 10 per cent of what you can spend you don't care how much you spend. The more you spend the more you get.

Mr. McCULLOCH. And you think that destroys the morale of the men?

Mr. BARNES. I think so. Then the slogan was get it while the getting was good; everything fell to it.

Mr. McCULLOCH. And if they delayed that meant that they didn't get the barracks ready for the soldiers in time; is that it?

Mr. BARNES. That is it. And that is why we were called back here so many times on Sunday to hurry up a particular barracks the boys

were coming in. We didn't need to have that Sunday work here so much. That was all expense.

Mr. McCULLOCH. Double time?

Mr. BARNES. Double time. Very expensive.

Mr. McCULLOCH. I think that is all I care to ask you.

Mr. McKENZIE. We will excuse you.

#### TESTIMONY OF JOSEPH E. POOLE, CHILLICOTHE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Give your full name to the stenographer.

Mr. POOLE. Joseph E. Poole.

Mr. McCULLOCH. You live at 245 East Port Street, Chillicothe, Ohio?

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. Did you work for Mr. Bentley on the Camp Sherman job?

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. Or the Bentley Construction Co.? What did you work at?

Mr. POOLE. I commenced to work—went to work with my tools on the 17th of July.

Mr. McCULLOCH. As what?

Mr. POOLE. As a carpenter, and worked until the 15th of September and was made a foreman over in the hospital group.

Mr. McCULLOCH. Carpenter foreman?

Mr. POOLE. Carpenter foreman. Prior to that, worked here in the section in the barracks.

Mr. McCULLOCH. Now, what did you observe in regard to the idleness of workmen upon the job?

Mr. POOLE. Well, there was a great deal more people idling than there was working. It was bad enough among the carpenters, but the plumbers and steam fitters, more especially the steam fitters, were the worst I ever seen.

Mr. McCULLOCH. Give us some idea now about the proportion of idle men to those who worked.

Mr. POOLE. Well, take the carpenter gang; they run from 26 to 30 men to the gang; and take them as gangs, there was about 4 industrious men in that gang.

Mr. McCULLOCH. What were the rest of them doing?

Mr. POOLE. They was running around, sending them after something, and we had a great deal of stuff to carry over to the hospital group. After you got the corridors built there you couldn't haul, you see. Send them after a 2 by 6 or something, and maybe they would be gone half a day; maybe they have 200 yards to carry it; crawl under the corridor with it; that was the hardest part of it.

Mr. McCULLOCH. In your opinion how many men could have accomplished the work that was accomplished in the gang you have mentioned?

Mr. POOLE. Well, if you could take—if you had been allowed to weed out, fired the incompetents and take the gang I had, 26—supposed to have 26 carpenters or 24 carpenters and two laborers, and the water boy, but after school commenced the water boys all went to school, then we delegated a carpenter as water boy.

Mr. McCULLOCH. Paying him his carpenter's wages?

Mr. POOLE. Yes; and they had to carry water from the fork of the road here where the Frankfort and Egypt road forks. That was the only well we had in the base hospital. In hot weather we sent a man to the well, he said he had to wait his turn at the well. Might have had to and might not, might have been shooting crap, but I have sent four men after the water man before I got water.

Mr. McCULLOCH. Four carpenters?

Mr. POOLE. Yes.

Mr. McCULLOCH. Tell us what proportion could have done the work the 26 did and done it efficiently.

Mr. POOLE. I could have taken eight men of the gang I had over there—the percentage of mechanics was the greatest of any gang I bumped up against out there; but I could have taken eight men out of my gang and accomplished twice as much as I did with all of them.

Mr. McCULLOCH. Did you ever talk to anybody about that situation?

Mr. POOLE. Talked to the scratch boss and talked to the block boss.

Mr. McCULLOCH. What did they say to you?

Mr. POOLE. I just begged them to let me can eight of them. They wouldn't let me can them, and they wouldn't can them.

Mr. McCULLOCH. What did they say to you about that?

Mr. POOLE. To give them something; let them clean up around if there is nothing else they can do.

Mr. McCULLOCH. What was the reason for that? Have you any idea?

Mr. POOLE. Well, I have an idea; that every one of those men meant 66 cents for Bentley.

Mr. McCULLOCH. Was that your opinion at the time?

Mr. POOLE. That was my honest opinion. I don't know what—now I am a contractor by profession. I know if I had a contract work, they wouldn't stay on the job a minute. I couldn't use them at all.

Mr. McCULLOCH. And yet they were kept on?

Mr. POOLE. They were kept on the job.

Mr. McCULLOCH. And they were kept on there over and against your protest?

Mr. POOLE. They had no tools. Many of them hadn't even a pencil or a rule. Take a group of men around a building putting on siding, for instance; when I work I usually take out of my box the tools I am actually using, saw and hammer and square and plane: lay my tools down while I saw a board and go to nail my board up look around and maybe one of those fellows have my hammer on the other side of the building. I would spend more time gathering up my tools. It demoralized the forces; the mechanics didn't get the work accomplished that they would have done.

Mr. McCULLOCH. Now, there can be no doubt from your statement that the agents of Bentley knew all about that?

Mr. POOLE. They did know it.

Mr. McCULLOCH. Because you called it to their attention; is that it?

Mr. POOLE. They did know it. The timekeeper says to me—there was a man by the name of Brown worked for me from Kentucky; he was always pacing up and down; I never seen him working; and

the timekeeper says to me, "What does that fellow do?" And I said, "Just as you see him now." He says, "The next time I meet that gentleman in the corridor I will ball him out."

Mr. McCULLOCH. Was that the Government timekeeper?

Mr. POOLE. No; Bentley. And he started off from me and met him just around in the angle of the corridor and he commenced balling him out, and he said, "You go to hell; fire me."

Mr. McCULLOCH. Well, did he?

Mr. POOLE. They knew they couldn't be fired; they knew they wasn't to be fired. They had no respect for their foremen, even.

Mr. McCULLOCH. Now, why would they have no respect for their foremen?

Mr. POOLE. Because they knew the foremen couldn't fire them.

Mr. McCULLOCH. How did they know that?

Mr. POOLE. It got noised around.

Mr. McCULLOCH. Was it generally known among the men there was to be no men let out?

Mr. POOLE. I tried to discipline my men, the unruly ones, and they said, "You can't fire me."

Mr. McCULLOCH. Well, could you?

Mr. POOLE. No.

Mr. McCULLOCH. Why couldn't you?

Mr. MCKENZIE. Did you try it?

Mr. POOLE. Because I was instructed not to fire anybody.

Mr. McCULLOCH. By whom?

Mr. POOLE. By the Bentley timekeeper, and by the scratch boss and by the block boss. The block boss was Sullivan and the scratch boss was Gerber.

Mr. McCULLOCH. The representatives of the Bentley Co. told you not to fire anybody?

Mr. POOLE. Not to fire them; if they ain't any account get them to cleaning up or carrying.

Mr. McCULLOCH. But they were hired as carpenters?

Mr. POOLE. They were hired as carpenters.

Mr. McCULLOCH. And they were on the rolls as carpenters?

Mr. POOLE. They were on the rolls as carpenters. When the gangs were first organized, the laborers seen fellows working at the carpenter work that they concluded wasn't any better than they was; and the laborers would quit and go over to the block boss and rehired and get in another gang; maybe the gang next to the gang, and be working as carpenters over there. The result of it was we had no laborers directly, all carpenters.

Mr. McCULLOCH. All drew carpenters' pay, which was how much?

Mr. POOLE. \$6.60.

Mr. McCULLOCH. And the laborers got how much?

Mr. POOLE. Forty.

Mr. McCULLOCH. Did you know Vandemarck?

Mr. POOLE. Yes, sir; I worked under Vandemarck when I first came out here.

Mr. McCULLOCH. He was your foreman?

Mr. POOLE. Worked in his section. He was a block boss. My foreman was Nagle.

Mr. McCULLOCH. What about games of chance?

Mr. POOLE. Well, that was a graft by somebody; I don't know who; but it was worked under Vandemarck.

Mr. McCULLOCH. How was it marked?

Mr. POOLE. The books of tickets were handed out to the foreman usually; the men were never approached, but the foremen were given these books of tickets, numbers, and the result of it was he would sell to all his men; chances on automobiles, wrist watches, silver chests, and take up collections for employees that got hurt out here. There was always something, two or three days every week was getting up something.

Mr. McCULLOCH. How much did you get into the raffle game?

Mr. POOLE. I don't know. If I had known I would have gotten in so much, I would have kept tab on it, but I would guess it at a hundred dollars.

Mr. McCULLOCH. Were you pressed to do those things, or were you left to your own notions about it?

Mr. POOLE. Well, you wasn't pressed very much, but everybody took it for granted they had to dig.

Mr. McCULLOCH. To hold their jobs?

Mr. POOLE. To keep square with the boss.

Mr. McCULLOCH. To be square with the boss?

Mr. POOLE. That is the impression that got around.

Mr. McCULLOCH. What do you mean by being square with him?

Mr. POOLE. Don't turn the boss down.

Mr. McCULLOCH. Now, you were finally assigned as a foreman, as I understand it, in the hospital division?

Mr. POOLE. Yes.

Mr. McCULLOCH. What do you call it, hospital group?

Mr. POOLE. Base hospital.

Mr. McCULLOCH. When did you go there—what time of the year?

Mr. POOLE. Well, about the 12th of September. I was off there three or four days, and they gave me a gang, and I—

Mr. McCULLOCH. That was in September. How long did you stay there then?

Mr. POOLE. Till the 28th of December. I was the last gang there.

Mr. McCULLOCH. During the time you went there was the steam fitting for the hospital completed?

Mr. POOLE. No.

Mr. McCULLOCH. When was it finally completed?

Mr. POOLE. Well, they commenced getting steam around some time in October; that is, part way. As fast as they got a boiler up they run temporary lines. The main steam lines wasn't completed until in November, but they run temporary lines.

Mr. McCULLOCH. Now, this was in 1917?

Mr. POOLE. Seventeen.

Mr. McCULLOCH. How was the weather from September on until—

Mr. POOLE. Well, that winter was a very severe winter here. It set in early. We had zero weather in October, and some days it was down as low as 20 or 28 below zero.

Mr. McCULLOCH. Were there many soldiers in the hospital?

Mr. POOLE. Let's see. The first troops got here the fore part of September. Yes; they commenced getting in. They had sick

soldiers as soon as they began to arrive; not many, but they increased as the draft came in.

Mr. McCULLOCH. Now, did you observe the men who were doing the steam fitting in the hospital?

Mr. POOLE. Yes.

Mr. McCULLOCH. How they worked?

Mr. POOLE. I furnished the men to do the boring and cutting.

Mr. McCULLOCH. Though these steam fitters were more or less under your observation?

Mr. POOLE. Yes.

Mr. McCULLOCH. Now, I wish you would tell the committee just what the conditions were—how the men worked; what, if any, delay there was in the completion of the steamfitting and the effect of it upon the soldiers.

Mr. POOLE. Well, you take those sick wards; if you were ever in any of those buildings, the front of the building as you go in the main entrance, to the right is the diet kitchen, to the left is the medical officer's office, where he keeps his drugs—laboratory I guess they would call it. Back of that was the toilets and shower baths. Those were small offices, those front rooms. In the back of the building was a large—oh, as long as this building is wide and probably 60 feet in width.

Mr. McCULLOCH. You would say how long is it now? Let us get an idea for the record?

Mr. POOLE. About 60 feet.

Mr. McCULLOCH. All right, go ahead.

Mr. POOLE. In that big building was the ward where the cots were, where the sick soldiers were, and they were placed just as close together as the nurses could walk between the beds. And in our work in following the steam fitters we got so far ahead of them cutting these holes—there was a 6-inch line and a 4-inch line and a 2-inch line went into each building; the 2-inch line was the hot water—we got so far ahead of them, the boys in there sick and no heat, that the medical officers asked us not to bore any more holes unless we would tack boards over them to keep the cold out. They had absolutely no heat in there except what they would get from oil stoves; and I have seen boys suffering in there, and I felt if it was all on my shoulders, I would send them steam fitters up against the hill and shoot them; over there shooting craps and cooking hot dogs in those diet kitchens; get a couple of torches and generate heat enough to get comfortable. Heat rye bread and hot dogs when they should be working connecting up those lines, and the boys laying there suffering in the wards.

Mr. McCULLOCH. And these steam fitters were loafing?

Mr. POOLE. Loafing.

Mr. McCULLOCH. How long did that condition obtain?

Mr. POOLE. Four or five weeks. After we got there it was four or five weeks before they actually got the main steam lines connected up.

Mr. McCULLOCH. What did you do to get them to work, if anything; did you report it to anybody?

Mr. POOLE. I reported it to Aarons.

Mr. McCULLOCH. Who was he?

Mr. POOLE. He was the block boss I was under here. After Sullivan went to Jacksonville I was left in charge over there, but the man over me was Aarons, over on this side. He was building the theater up here, and he didn't have the time to get over there very much, but he came once in a while, and he asked me one time what the steam fitters was doing, and I said, "If you will go down to that row of wards"—the west row at that time; they built more since—I says, "If you will go down there and look in, you will see what they are doing." He says, "Who is their boss?" And I said, "I don't know his name, but his name is Bill"; and I said, "There he is." He came out of the plumbers' quarters. I said, "There he is now." And he says, "Oh, Bill, come over here," he says, "I want to take a walk and go around and look at your men." And he and Bill went down. He told me afterwards, he says, "It was the worst I ever seen."

Mr. McCULLOCH. Now, what were they doing?

Mr. POOLE. Shooting craps back in the big building, and they would freeze out and then come in and eat hot dogs, stading around the gasoline torch.

Mr. McCULLOCH. You say to this committee that while those soldier boys were sick in those wards suffering from the cold—

Mr. POOLE. Actually pinched blue, their lips were blue; their fingernails blue.

Mr. McCULLOCH. That while they were doing that, these steam-fitters who were charged with the responsibility and the work of getting heat to those boys were shooting craps?

Mr. POOLE. Shooting craps.

Mr. McCULLOCH. And gambling?

Mr. POOLE. Gambling.

Mr. McCULLOCH. And idling their time away?

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. While those boys were suffering?

Mr. POOLE. That is the most harrowing feature of it. We could overlook the cost and the waste, or I could at least, if we could eliminate the suffering that those boys endured there. The nurses and the doctors done the best they could for them, under the circumstances. They distributed little oil stoves around which in zero weather wasn't much.

Mr. McCULLOCH. How were the doctors going: how were they clad?

Mr. POOLE. They had on sheepskin-lined coats and the nurses had furs all muffled up.

Mr. McCULLOCH. And yet those boys were in there without any heat?

Mr. POOLE. Without any heat.

Mr. McCULLOCH. In rooms where the nurses had to go with their furs on and the doctors with fur-lined overcoats?

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. And during all this time, now, you say that these steamfitters were gambling and idling their time away?

Mr. POOLE. Yes; they were. I said to Aarons afterwards—I didn't see him that same day—he came back the next day, I said, "What did they say to you?" He said, "They told me to go to hell."

Mr. McCULLOCH. Now, those men were working under Bentley, were they?

Mr. POOLE. Well, not directly; they were working under Gibbons, a subcontractor under Bentley.

Mr. McCULLOCH. I wish now, for the benefit of the record, you would again state just what time of the year it was, so we can get it clear.

Mr. POOLE. Well, I won't be positive as to dates, because I didn't keep the dates, but it would take in the last three weeks of October and all of November.

Mr. McCULLOCH. And that condition obtained during all that time in that place?

Mr. POOLE. Yes; and as time progressed they would get a temporary steam line down probably to another row of barracks, they would run steam in this end of the pipe and break icicles off that end; have to thaw the lines out. The water condensed in there and they got no heat down there.

Mr. McCULLOCH. Now, do you say that this condition was the result of the fact that these steamfitters were idling and were not doing their duty?

Mr. POOLE. I know it was. We bored their holes for them, and they had machinists there to cut the pipe and cut the threads on them. All they had to do was actually screw it together.

Mr. McCULLOCH. And this condition could not but have been within the knowledge of the subcontractor and his agents; is that right?

Mr. POOLE. He knew it. They couldn't help but know it.

Mr. McCULLOCH. And it could not but have been within knowledge of the contractor under whom this subcontractor had the contract, could it?

Mr. POOLE. He couldn't possibly have been ignorant of it.

Mr. McCULLOCH. What about the heating system; do you know about it?

Mr. POOLE. Well, I am not up on heating engineering, but I do know there was a great deficiency in that plant out there. The plant, the power house, is up against the hill and the most of the buildings supplied are lower than the power house and the water condenses in there and—

Mr. McCULLOCH. Excuse me a moment. Will you start in where you left off now.

Mr. POOLE. Why, the heating plant, as I started to say, is built much higher than most of the buildings supplied. The result of it is at the low points they have got to bleed continually; that is where they are taking in at the boilers, cold water, they have got to bleed it out here, and it is a waste of fuel. Had the power plant been built in the low ground that condensed water would have gravitated right back to the boilers and would anyhow have been lukewarm when it got back; on the circulating plan.

Mr. McCULLOCH. What do you say as to whether or not the excess number of men and the misclassification of the men retarded the completion of the camp, delayed it; do you think it delayed it?

Mr. POOLE. Yes; it delayed it, but just what proportion would be hard for me to say.

Mr. McCULLOCH. What do you say about the deliberate waste of material? Just give us in a word your view of that.

Mr. POOLE. Well, there was an awful waste of material; apparently a deliberate waste.



Mr. McCULLOCH. Give us some idea of just what was wasted, now? Your idea of the lumber and the nails and the hardware and so on; just in your own way state it.

Mr. POOLE. Well, I imagine there was anyhow from 20 to 30 per cent total waste.

Mr. McCULLOCH. Over and above what it should have been?

Mr. POOLE. Yes. The hardware, especially the locks, was all waste. The locks furnished for this cantonment was the most gigantic swindle I ever seen.

Mr. McCULLOCH. In what way?

Mr. POOLE. Those locks looked like apparently a lock that sell locally for \$1.25, but they absolutely are not worth two cents. There isn't a lock in this cantonment, original lock, that is worth two cents.

Mr. McCULLOCH. You put them on and you know something about it.

Mr. POOLE. I know something about it.

Mr. McCULLOCH. You think that was a willful waste of money?

Mr. POOLE. Yes.

Mr. McCULLOCH. The purchasing of those locks?

Mr. POOLE. Yes.

Mr. McCULLOCH. Have you mentioned the nails?

Mr. POOLE. Nails; they were just wasted everywhere. Men working using spikes if they wanted to change to eights, what spikes they had in their pockets went right on the ground; they were not carried and dumped back in the spike keg. If they were using eights and changing to spikes, it was the same thing.

Mr. McCULLOCH. How about the waste of other material?

Mr. POOLE. Well the most, the great waste in any one item, was lumber and roofing. Take the roofing they used here, the directions on each roll expressly say it should be stood on end. It was unloaded off the cars here and corded up like cord wood. In 24 hours you couldn't unroll a roll of it to save your neck. It runs all together and sticks.

Mr. McCULLOCH. Go ahead.

Mr. POOLE. There was no care taken of the roofing. Perhaps they didn't have ground enough to stack it all on end, I don't know, but it was corded up anyhow.

Mr. McCULLOCH. And there was great waste; is that right?

Mr. POOLE. Great waste. There wasn't a third of the roofing when they came to put it on, that they could unroll.

Mr. McCULLOCH. What do you know about the destruction of materials by fire, and so on; that is destroying good materials by burning them?

Mr. POOLE. Well, here up this old canal bed side, they kept perpetual fires going. I don't know what all went in, but I have seen good stuff, two by fours, two by sixes, sheathing that had never been cut; I have seen it laid in there burning.

Mr. McCULLOCH. Can you give us an instance, say, of the waste resulting from labor in the hanging of doors? I have got a memorandum here in which it is set out that it cost over \$12 to hang an ordinary door, about 75 cents worth of work.

Mr. POOLE. That happened up here in section N. this particular instance happened on Sunday when everybody was getting \$12 and

there was four or five men in that gang that were capable of hanging doors, but the boss never arranged the men to suit the work. He did everything—that is, he put on all the siding and put on all the roofs and put on all the windows and doors, the result of it, the day he went to hang the doors, he put the whole gang to hanging doors. There was one young lad, he had been in the agriculture department of the O. S. U. spending his vacation here working at camp, he was put to hanging doors; a nice boy, but knew nothing about hanging doors. He spent all that Sunday on his door and didn't get it done; only had one hinge on and didn't have his lock on.

Mr. McCULLOCH. For which he was paid how much money?

Mr. POOLE. \$12.

Mr. McCULLOCH. How much did it ordinarily cost to do that job of hanging a door?

Mr. POOLE. Contractors here figure a door of that kind 75 cents for fitting and hanging it. And over in the base hospital I met up with another foreman over there and we were exchanging experiences, and I told him about the \$12 door, and he says, "I have got you beat." He says, "I had two men two days hanging a transom over here."

Mr. McCULLOCH. Was he a foreman, too?

Mr. POOLE. He was a foreman; an ordinary transom, 5 feet by 16 inches.

Mr. McCULLOCH. Took two men two days.

Mr. POOLE. Two days; and afterwards when they completed those corridors, I put two men that were mechanics hanging the same size transoms and two of them hung 22 in one day.

Mr. McCULLOCH. Now, I wish you would just give the committee the benefit of your views as a man of 20 years' experience as a carpenter, who has been a contractor—you have been a contractor, have you not?

Mr. POOLE. I am now.

Mr. McCULLOCH. And you have been a carpenter for 20 years?

Mr. POOLE. Well, I have been working at it steady. I have been a carpenter more or less all my life. My early life was divided between carpentering and farming, but I have followed carpentering steady for 20 years.

Mr. McCULLOCH. And you have been a contractor for how long?

Mr. POOLE. Thirteen years.

Mr. McCULLOCH. Doing general contract work?

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. As a constructor of buildings?

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. Now, what will you say to this, as to your opinion—and it would only be an opinion—as to how much more it cost to build this cantonment in the way it was built and under the system that it was built than it would have cost to build it if it had been built by a contractor under a lump-sum contract? Give us your opinion as to how much more it would cost the way it was built rather than under a lump-sum contract.

Mr. POOLE. Well, I would imagine that if it was as I build buildings under contract that it would have been built for less than half for the labor cost. Now, the first building I worked on here in sec-

tion K, the foreman was Nagle, and I don't know how long they had been on the building when me and my partner and two other local carpenters came out here; we four came together and worked together. We were on that building six weeks after we went on it. That building, I venture to say, the labor cost on it would run \$8,000 or \$10,000. I would contract to put the carpenters' labor on it for not over \$1,100 any time.

Mr. McCULLOCH. And you say the labor cost—carpenter labor cost—that you would have been willing to put on for \$1,100, cost how much?

Mr. POOLE. Eight or ten thousand dollars. There was that gang. would average 30, counting the scratch boss and the timekeeper, apportion their cost to the various buildings, would average 30 men working on there, and they will average \$50 a week. That is \$1,500 a week, and there was six weeks that we worked on it after we went on it. I don't know how long they worked before we went there: two or three weeks.

Mr. McCULLOCH. You were on six weeks?

Mr. POOLE. Six weeks.

Mr. McCULLOCH. And if they worked two weeks, it would have been eight weeks?

Mr. POOLE. Be eight weeks.

Mr. McCULLOCH. At \$1,500 a week?

Mr. POOLE. That is \$12,000.

Mr. McCULLOCH. Yes; and you say you would have been willing to have done that job for \$1,100?

Mr. POOLE. I would. I would take a dozen of them to-morrow.

Mr. McCULLOCH. Now, how do you account for that excess labor cost?

Mr. POOLE. Well, they just build up and tear down. We had the building practically completed once and they came along and the stairway was over there and the scratch boss says. "They want the stairway over on that side." That involved not only the moving of the stairway, but three or four doors, double doors, from that side of the building to this; just simply revised the building was all.

Mr. McCULLOCH. Then?

Mr. POOLE. That took time.

Mr. McCULLOCH. Now, what else would account for the discrepancy in the labor or cost; the inefficient men on the job or what?

Mr. POOLE. The inefficient men.

Mr. McCULLOCH. How about idleness?

Mr. POOLE. The poor management and men loafing—gone.

Mr. McCULLOCH. Yet getting paid?

Mr. POOLE. Gone and getting paid. Go to the latrine and be gone three or four hours at a time.

Mr. McCULLOCH. What do you say as to whether or not all of this inefficiency and lack of system and idling away the time was within the knowledge of the contractor or his authorized agents; did they know about it?

Mr. POOLE. They couldn't help but know about it.

Mr. McCULLOCH. And you will say they did know about it?

Mr. POOLE. They did know about it, undoubtedly. If it had been a private contractor they would have looked after it more closely.

**Mr. McCULLOCH.** Now, passing from the labor cost to the material cost; what do you say in the light of your experience as a contractor and a builder and a carpenter that it would have cost for materials on Camp Sherman, and it can only be your opinion, if the contract had been let on the lump-sum basis or as you would take the contract to build a building; what do you say as to what it would cost to do it that way compared with what it did cost in material?

**Mr. POOLE.** Well, I would imagine it would cost one-fourth less anyhow.

**Mr. McCULLOCH.** That is the material loss would have been one-fourth less?

**Mr. POOLE.** A fourth. Because I do know that what lumber wasn't actually piled up in a pile, they hauled the lumber out on those donkeys and dumped it over at the side of the track, and they had gangs to pile it up in a rather systematic way, but if you carried any lumber to the building—and we often had our sawhorses loaded with lumber, maybe a wagon would come in with a load of something and we would have to unload our horses to let the wagon in, and lay that lumber down, and the wagons would have it picked up and gone. They picked up everything that wasn't absolutely piled up.

**Mr. McCULLOCH.** And hauled it to the dump?

**Mr. POOLE.** And hauled it to the dump.

**Mr. McCULLOCH.** Without sorting it?

**Mr. POOLE.** Without sorting it.

**Mr. McCULLOCH.** Threw it on and took it to the dump pile?

**Mr. POOLE.** Took it to the dump pile.

**Mr. McCULLOCH.** Did you work for McGrath?

**Mr. POOLE.** No.

**Mr. McCULLOCH.** Your work was entirely under Bentley?

**Mr. POOLE.** Under Bentley and the Government. From the 1st of December on I was under the Government.

**Mr. McCULLOCH.** Did you report to any of the agents of Bentley conditions in addition to what you have already told us?

**Mr. POOLE.** Only the men over me. I never went higher than the block boss.

**Mr. McCULLOCH.** No. How often did you go to the men over you; did you make many complaints about the whole thing?

**Mr. POOLE.** Well, I did at first and I found it did no good, and I tried to make the best of it.

**Mr. McCULLOCH.** When you made complaints or called to their attention conditions what would be the answer?

**Mr. POOLE.** Why, especially about the men; they would say, "Well, put them at something, carrying something, moving something; cleaning up or something."

**Mr. McCULLOCH.** But keep them on the pay rolls; did they say that?

**Mr. POOLE.** "Don't fire them." It meant the same thing.

**Mr. McCULLOCH.** Told you not to fire them?

**Mr. POOLE.** And on the subject of soliciting donations one way and another. I don't know whether it has been brought out by any of the other witnesses or not, but shortly after the Eighty-third came

here, and either the Government or Gen. Glenn himself got a home down street, the old Judge Stone home, they came around, the time-keeper came around and he says, "We are getting up a little subscription to build a nice brick mantel in Gen. Glenn's home, how much will you give?" The foremen wasn't expected to give less than a dollar; the men was expected to give a quarter; and he told me in a day or two, he said, "I did first rate on that mantel." He says, "I got over \$1,300 in the base hospital." There was four other sections out here. If they did as well the workers of that camp contributed \$5,000 or \$6,000 to Gen. Glenn's mantel. I don't know whether he ever got it or not, but if he did, I bet it didn't cost over \$200 or \$300.

Mr. McCULLOCH. Well, were the men pressed to make these contributions?

Mr. POOLE. No; there was nobody forced, but they just come up to you with their book, you know, ready to write your name and have it half written, before you would say, "I will give a quarter, or fifty cents, or a dollar."

Mr. McCULLOCH. The disclosures you have made in regard to conditions of soldiers in that hospital without that heat, without the heat, is not only important, but it is startling in the extreme. and I want to ask you this question: Did you know of any of those boys dying during that time?

Mr. POOLE. Well, there was boys dying every day out there, but personally I can't say whether any of the boys that I knew, the boys that—we worked in their barracks: windows get broken out, and we go in and put in new window panes, and I came in contact with many of them; and young fellows, sad looking, and they would ask me, "Mr. Carpenter, won't you bring me an apple to-morrow?" something of that kind. I always brought them something, and one young lad, I gave him his apple, or brought a sack and gave it to him and he said, "I only want one; pass the rest around among my buddies"; and one boy said, "I don't want an apple, but if you will, bring me a hot stove to-morrow." It was pathetic, I tell you. to be among those boys and see them suffer as I did out there.

Mr. McCULLOCH. As a result of the lack of heat?

Mr. POOLE. Disloyalty on the part of those pipe fitters and the Bentley Co. or Gibbons—all of them.

Mr. McCULLOCH. You say they were all more or less responsible for it?

Mr. POOLE. Yes. If they had been working under private contract and they had to deliver so much goods or be fired, they would have delivered the goods.

Mr. McCULLOCH. And the steam fitting would have been completed, in your judgment—

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. In time to have protected those boys from that zero weather?

Mr. POOLE. Yes, sir.

Mr. McCULLOCH. Can you tell us anything more about that now? Have you any other matters you would like to bring to the attention of the committee?

Mr. POOLE. Not that I think of.

Mr. McKENZIE. You worked under Bentley until the Bentley contract was completed, I understood you to say?

Mr. POOLE. Yes. I was the last man in that department.

Mr. McKENZIE. You were not discharged by Bentley?

Mr. POOLE. No.

Mr. McKENZIE. You never had any difficulty with him?

Mr. POOLE. No; never; wouldn't know the man if I would see him.

Mr. McKENZIE. Your relations were friendly?

Mr. POOLE. I never seen Bentley himself.

Mr. McKENZIE. And you have stated here several times that you made efforts to fire incompetent men, men who were loafing on the job?

Mr. POOLE. Yes, sir.

Mr. McKENZIE. Absolutely useless, and that you couldn't get rid of them? You had to continue them on simply because the men above said you couldn't discharge them?

Mr. POOLE. Yes, sir.

Mr. McKENZIE. Now, you are sure about that, are you?

Mr. POOLE. Yes, sir; I am sure about it.

Mr. McKENZIE. And on that point you are absolutely certain that you are stating a fact to this committee?

Mr. POOLE. Yes, sir.

Mr. McKENZIE. That you had incompetent men and that you couldn't get rid of them?

Mr. POOLE. Could not.

Mr. McKENZIE. And that you could have done the work with half the men you had.

Mr. POOLE. Yes, sir.

Mr. McKENZIE. And accomplished just as much by your work; is that it?

Mr. POOLE. Yes, sir.

Mr. McKENZIE. Now, then, I want to ask you another thing: I think the matter that you have stated here in connection with that hospital, as Mr. McCulloch said, is one of the most startling things; while it doesn't involve the expenditure of so much, but yet it involves the question of humanity.

Mr. POOLE. It does indeed.

Mr. McKENZIE. And you have stated that that condition existed during the months of October and in the month of November, practically all of November, and that we had zero weather at that time?

Mr. POOLE. Yes, sir.

Mr. McKENZIE. And even below zero you stated?

Mr. POOLE. Below zero.

Mr. McKENZIE. Now, will you tell the committee just how you fix that fact in your mind, that you had that kind of weather? What I want to do is to get that emphatically in the record as to the condition of the weather at that time.

Mr. POOLE. That winter was an extreme, and it set in early, and it was sleet, ice, and snow, and zero weather. There wasn't a morning that it wasn't down to zero or below. We had no fair days, no pretty, warm days.

Mr. McKENZIE. Well, now, how do you fix that in your mind? Did you look at the thermometer those mornings?

Mr. POOLE. No. But I rode one of those Army trucks about every morning and back. I froze my ears and I froze my nose.

Mr. McKENZIE. Did you read it in the paper or hear it stated it was zero weather?

Mr. POOLE. Oh, I consulted the thermometer at my home; yes.

Mr. McKENZIE. And you know there was real zero weather?

Mr. POOLE. There was one morning it was 28 below.

Mr. McKENZIE. At the same time that there was no heat in part of these rooms, in the wards where—

Mr. POOLE. Only through those temporary lines, and they were frozen up, or full of cold water. They got no heat. You start out from the power house and probably three or four buildings from the power house you would have some heat; beyond that you had none. When it got to the hospital, it was a dead line, and when you got down to where Maj. Huber lived, the commandant in that group, he had no heat at all.

Mr. McKENZIE. And you know what it is, I take it, in a building, and you are sure these boys—

Mr. POOLE. Especially if you are not working.

Mr. McKENZIE. These boys were lying there, and the only heat they had was what they could get from some gasoline stoves, oil stoves?

Mr. POOLE. I have seen the boys that wasn't absolutely bedfast go out in the lot back of those barracks and build fires out of the scrap lumber they could gather up.

Mr. McKENZIE. One more thing I would like to ask you; did you ever see any Army officers around there?

Mr. POOLE. Only the hospital group; Adj. Curtis and Maj. Huber.

Mr. McKENZIE. Did you go over and talk with any of the officers about the condition there?

Mr. POOLE. Yes.

Mr. McKENZIE. What did they say about it?

Mr. POOLE. They were like me; they laid it all on the plumbers and steam fitters. Maj. Holmes had a great deal to say out there; while he was not the commanding officer, his influence went probably farther than anybody's. He would go over—

Mr. McKENZIE. Do you know whether any Army surgeon or anyone connected with the United States military service got after those fellows and tried to hurry them up, pressed them to get this work done?

Mr. POOLE. Yes, sir; the camp commander would come over there occasionally on tours of inspection, but what he ever done I don't know.

Mr. McKENZIE. But things went on just the same?

Mr. POOLE. Went on just the same.

Mr. McKENZIE. After he had been there as they were before? Is that true?

Mr. POOLE. Yes, sir.

Mr. McKENZIE. That is all.

Mr. McCULLOCH. While it probably doesn't go to the question of expenditure, yet it has been reported that about that time the soldiers in that base hospital were not getting enough to eat. Do you know anything about that? You say you brought them apples, and so on.

Mr. POOLE. Well, of course, everybody that is sick probably has a craving for something not supplied out there. I took that as the boys' wants regarding the apples and bananas and things. But, apparently, they had plenty to eat. I have seen them take the stuff from the kitchen in extreme cases. What they eat was prepared in this diet kitchen, but if they were able to eat a square meal it was brought from the mess kitchen, and apparently plenty taken to them.

Mr. McCULLOCH. You didn't observe, then, if that condition existed in the camp, you didn't observe it?

Mr. POOLE. Oh, no. I am inclined to believe the boys were fed, and fed amply.

Mr. McCULLOCH. You did give them the apples, and they were glad to get them?

Mr. POOLE. Yes. A person may have enough to eat and still crave an apple or something.

Mr. McCULLOCH. Yes; I think that is all.

Mr. DOREMUS. When did you quit work on the camp?

Mr. POOLE. Me?

Mr. DOREMUS. Yes.

Mr. POOLE. December 28, 1917.

Mr. DOREMUS. Still working for Bentley?

Mr. POOLE. Am I still?

Mr. DOREMUS. Were you at that time, when you quit?

Mr. POOLE. No; I quit—the Government took over the unfinished work on the 1st of December.

Mr. DOREMUS. Why did you quit?

Mr. POOLE. Why, I guess they got through with us. The work after that was carried on by the carpenters among the soldiers.

Mr. DOREMUS. Well, you were not fired from the job?

Mr. POOLE. No; no.

Mr. DOREMUS. I see; that is all.

#### TESTIMONY OF MR. C. V. SIGLER, RICHMONDALE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is C. V. Sigler?

Mr. SIGLER. Yes; that is correct.

Mr. McCULLOCH. And you live at Richmondale, Ohio?

Mr. SIGLER. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Sherman?

Mr. SIGLER. Yes, sir.

Mr. McCULLOCH. What work did you do?

Mr. SIGLER. Well, I began on the foundation gang.

Mr. McCULLOCH. As a carpenter?

Mr. SIGLER. Yes, sir.

Mr. McCULLOCH. And how long did you work?

Mr. SIGLER. Well, I was wrong in the statement I gave this gentleman. That was the second time. I commenced here on the 12th day of June, and I worked until——

Mr. McCULLOCH. 1917?

Mr. SIGLER. Yes; until the 5th day of December. Now, the date I gave you was the second time I came here, after I got to looking it up.



Mr. McCULLOCH. Now, you were working then under the Bentley Construction Co.?

Mr. SIGLER. Yes, sir.

Mr. McCULLOCH. Did you work later under McGrath?

Mr. SIGLER. Well, only probably four or five or six weeks—something like that.

Mr. McCULLOCH. Will you tell the committee what you observed as to the number of men upon the job?

Mr. SIGLER. Well, the job that I worked at was under Mr. Smith, and we worked pretty well; I don't think there was any complaint filed until there was one of the foremen was taken off the job, and we got a double gang, and then, of course, there was more or less loafing on the job. And one day, in particular, that our foreman told us to go to the river bank and stay until he called us. He says, "We have no material." It was about 9.30. There was 22 of us, I think. He says, "We have no material, and you get in the clear until I can get something." About 2.30 he called us, and we went to work.

Mr. McCULLOCH. I just want you to tell us now how many too many men you think there was.

Mr. SIGLER. We had 22 in the gang. I judge if you had weeded 8 or 10 of them out we would have done just as much work as we did.

Mr. McCULLOCH. And do you think you would have done the work as quick or quicker?

Mr. SIGLER. Just as quick with 10 less men.

Mr. McCULLOCH. Yes. Now, did you observe a waste of materials?

Mr. SIGLER. Well, not particularly; only in going and coming from the camp. Of course, ours was a finishing gang, and by coming in and out of the camp we could see lumber had been thrown in the mud holes to keep trucks from miring down, that was certainly a waste.

Mr. McCULLOCH. Did you know anything about the order not to discharge men?

Mr. SIGLER. Yes; our foreman told us that day, he says: "I can't discharge you, because to-morrow we may need you," and he says: "I am instructed to keep my men."

Mr. McCULLOCH. Have you got any other matters that you can bring to the attention of the committee?

Mr. SIGLER. Oh, I think not, except, of course, the waste of lumber. I didn't work on the barracks but very little until after we got the foundation completed. I was put on the barracks five or six weeks laying floor, and many a time they would be so thick along the floor and absolutely to do your work you couldn't do it; men in your way. Half the men would have laid as much floor. Just like I saw 30 men—60 men, 30 on each end of this Red Cross Building here.

Mr. DOREMUS. You mean this building?

Mr. SIGLER. This building right here was the last work I did, and I saw 60 men down here, 30 on yon side and 30 on this side, laying floor which was absolutely too many men to do their duty; that was all there was to it.

Mr. McCULLOCH. This was a hurry job?

Mr. SIGLER. Yes, sir; I guess so.

**Mr. McCULLOCH.** Yes. There is no other matter than that you can think of that might be of interest?

**Mr. SIGLER.** No; nothing particular that I know of.

**Mr. DOREMUS.** Well, you do know that this particular building that you have just referred to and in which this session is being held was completed in from 23 to 28 days?

**Mr. SIGLER.** Yes, sir; 28 days, I believe. I commenced here on Monday laying this foundation and the last thing I did at the end of the month carry the chinaware into the kitchen so they could have their—whatever they was to have.

**Mr. McCULLOCH.** That was to dedicate it.

**Mr. SIGLER.** Yes.

**Mr. DOREMUS.** Do you consider that quick construction or slow construction?

**Mr. SIGLER.** It was quick construction, but less men could have done it.

**Mr. DOREMUS.** You think if they had had fewer men on the job they could have completed it in less time?

**Mr. SIGLER.** Twenty-five per cent less carpenters—and I don't consider myself any particular carpenter—25 per cent less men in my judgment could have built it just as quick.

#### TESTIMONY OF MR. LORAIN HIGGINS, RICHMONDALE, OHIO.

(The witness was sworn by Mr. McKenzie.)

**Mr. McCULLOCH.** What is your full name?

**Mr. HIGGINS.** Lorain Higgins.

**Mr. McCULLOCH.** Where do you live, Mr. Higgins?

**Mr. HIGGINS.** Richmondale.

**Mr. McCULLOCH.** Did you work on Camp Sherman?

**Mr. HIGGINS.** Yes, sir.

**Mr. McCULLOCH.** And in what capacity?

**Mr. HIGGINS.** Carpenter.

**Mr. McCULLOCH.** And when did you begin work here?

**Mr. HIGGINS.** Well, I think some time the latter part of July.

**Mr. McCULLOCH.** 1917?

**Mr. HIGGINS.** 1917.

**Mr. McCULLOCH.** You worked, as I understand it, the latter part of the time during the Bentley contract?

**Mr. HIGGINS.** Yes; at intervals.

**Mr. McCULLOCH.** Were you off at intervals?

**Mr. HIGGINS.** Off and on.

**Mr. McCULLOCH.** Did you also work for McGrath?

**Mr. HIGGINS.** Yes, sir.

**Mr. McCULLOCH.** About how many days?

**Mr. HIGGINS.** Well, I can't say as to that.

**Mr. McCULLOCH.** A couple of months?

**Mr. HIGGINS.** Something like that.

**Mr. McCULLOCH.** Yes. What do you say about there being too many men on the job under the Bentley contract?

**Mr. HIGGINS.** Well, I think there were entirely too many men on the job.

**Mr. McCULLOCH.** Will you tell us just about your estimate of how many too many, in your opinion?

Mr. HIGGINS. Well, I am just about of the opinion of the others I have heard talk about it.

Mr. McCULLOCH. What would you say, so we can get it in the record? About—

Mr. HIGGINS. Well, I would judge that two-thirds of the men, at least, could have done the work in the same length of time that they all did. That is the way I would judge it.

Mr. McCULLOCH. What was the effect of having these too many men on the job? You are an experienced carpenter, aren't you?

Mr. HIGGINS. Well, I don't know as I would consider myself an experienced carpenter. I work at it quite a good deal.

Mr. McCULLOCH. Tell us the effect of having too many men on the job, as you see it.

Mr. HIGGINS. Well, too many men are in each other's way, and you can't do anything where there is too much congestion.

Mr. McCULLOCH. Did that retard the work rather than hurry it along?

Mr. HIGGINS. Yes.

Mr. McCULLOCH. Let me ask you this: What did you observe in regard to idleness and loafing on the job under the Bentley contract?

Mr. HIGGINS. Well, under the Bentley contract we didn't have a great deal of idleness in our gang—not a great deal. There was only one day, I believe, the boss came around and says, "Well, boys, he says this is as far as we can see," and we took it for granted that was meant to slow down.

Mr. McCULLOCH. Did you slow down?

Mr. HIGGINS. We did.

Mr. McCULLOCH. Tell the committee what you observed in the way of waste of materials.

Mr. HIGGINS. Well, say, for instance, that we were cutting siding, wainscoting, wall board, rafters, joists, putting in braces; if they needed a 5-foot piece, why, they would pick up the first piece they came to and cut it, if it was a 15, 16, 10—whatever length they came to—they cut that piece out of it and the rest of it was thrown out, and if anybody else should need a piece and should happen to get to that piece before it was hauled away it was used; and if not, it was hauled away.

Mr. McCULLOCH. What do you say as to whether or not there was greater waste and idleness on this job, both under McGrath and under Bentley, than there would have been ordinarily under a lump-sum contract basis; is it your opinion the idleness and waste was greater?

Mr. HIGGINS. Oh, my, yes; I am satisfied of that. There is no question about that.

Mr. McCULLOCH. How do you account for that?

Mr. HIGGINS. Well, I can't account for it, to tell the truth about it.

Mr. McCULLOCH. Did it seem to you to be willful waste of material?

Mr. HIGGINS. It seemed to be willful waste to me.

Mr. McCULLOCH. And was the idleness of the men within the knowledge of the agent of both Bentley and McGrath?

Mr. HIGGINS. Oh, I think so. I don't see how it could be otherwise. They were on the job.

Mr. McCULLOCH. And the men were still held on the job, even though they were idle?

Mr. HIGGINS. Yes, sir.

Mr. McCULLOCH. Is that right?

Mr. HIGGINS. Yes, sir.

Mr. McCULLOCH. And did this condition you have related of idleness of men and waste of materials continue throughout the job?

Mr. HIGGINS. I couldn't see any difference in it.

Mr. McCULLOCH. Seemed to be the same throughout?

Mr. HIGGINS. Seemed to be the same all the way through.

Mr. McCULLOCH. You understood the order not to discharge anybody?

Mr. HIGGINS. Yes, sir.

Mr. McCULLOCH. Were you told by any foreman that there was such an order?

Mr. HIGGINS. Yes; our foreman said that he had orders to keep his men.

Mr. McCULLOCH. Not discharge anybody?

Mr. HIGGINS. No.

Mr. McCULLOCH. What was the effect of such an order upon the morale of the men as far as their work was concerned?

Mr. HIGGINS. Well, I thought it rather had a tendency to teach them to think they could do mostly as they pleased.

Mr. McCULLOCH. Yes; do you suppose any such order would have been issued if it had been under the lump-sum contract?

Mr. HIGGINS. I don't think so.

Mr. McCULLOCH. I don't think of anything more.

Mr. McKENZIE. As a business proposition I want to get your view. Take 30 men put up a building in 30 days, but instead of having 30 men you use 45 men to put up the same building in 30 days; would you say that the employment of the additional 15 men was a waste?

Mr. HIGGINS. I should think so.

Mr. McKENZIE. Well, now, is that what happened here, in your judgment?

Mr. HIGGINS. I think so.

Mr. McKENZIE. They had a third too many men?

Mr. HIGGINS. Yes, sir.

Mr. McKENZIE. In other words, you could have accomplished the same work in the same length of time with one-third fewer men?

Mr. HIGGINS. Yes, sir; I think so.

Mr. McKENZIE. You feel pretty sure of that?

Mr. HIGGINS. I feel pretty sure of that.

Mr. DOREMUS. What was your business before you went to work at Camp Sherman?

Mr. HIGGINS. Undertaking.

Mr. DOREMUS. Undertaking?

Mr. HIGGINS. Yes, sir.

Mr. DOREMUS. Have you ever had any practical experience as a builder before you came on this job?

Mr. HIGGINS. Well, some, but not to any extent.

Mr. DOREMUS. Ever take any contracts for putting up buildings?

Mr. HIGGINS. No, sir.

Mr. DOREMUS. How much carpenter work had you done before you came on this job?

Mr. HIGGINS. Well, most of my carpenter work before was in repairing furniture and work of that kind—working at a furniture store and repairing furniture. Had quite a good deal of experience at that.

Mr. DOREMUS. I guess that is all.

Mr. McKENZIE. I think the question that my friend from Michigan asked you was probably to show that you are not competent to judge; but on the proposition that I submitted to you as a business proposition—now, you say you are an undertaker?

Mr. HIGGINS. Yes, sir.

Mr. McKENZIE. Well, now, if it would require two men three hours to prepare a body for burial, and they could do it well in that length of time, and you would put three men on the job and take the same length of time, would there be a waste of the amount of energy there?

Mr. HIGGINS. One man could prepare a body for burial as quick as three could.

Mr. McKENZIE. Well, then, you had two men more than you needed?

Mr. HIGGINS. Yes.

Mr. DOREMUS. I will say to the chairman there is no disagreement between us on that proposition.

Mr. McKENZIE. All right; that is all.

#### TESTIMONY OF MR. OSCAR HERMANN, CHILLICOTHE, OHIO.

(The witness was sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Oscar Hermann?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. H-e-r-m-a-n-n?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. Live at 242 Cherry Street, Chillicothe, Ohio?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. Did you work at Camp Sherman?

Mr. HERMANN. I did.

Mr. McCULLOCH. Under the Bentley Construction Co.?

Mr. HERMANN. Yes.

Mr. McCULLOCH. Who was your foreman?

Mr. HERMANN. Charles Lunn.

Mr. McCULLOCH. What was your work?

Mr. HERMANN. I took care of the pumps at the pumping station.

Mr. McCULLOCH. Are you a machinist?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. I wish you would tell us something about the pipe fitters' gang.

Mr. HERMANN. Well, they required quite a lot of fittings around the waterworks where I was and—

Mr. McCULLOCH. How about working?

Mr. HERMANN. Well, they would only work when they would see their foreman coming. The foreman would generally ride with the truck, and they would watch for the truck when she came over the hill, and they would start to work. Other times they would be loafing around there.

Mr. McCULLOCH. Any remarks made to you about the kind of work they were doing?

Mr. HERMANN. Why, one time—one evening when I was working on night trick—there was a truck load of them came over there; see we had some small wells around there that they had drove, and a truck load came down and I asked them what they were going to do, and one of them says—well, he says—“We are going to stick around here awhile;” and so an hour or so after that I went down and they were still there. They had a large seacrhlight on their truck; they turned it around so it would throw the light on their truck and they had a real dice game going on on their truck; but they were getting paid for it, because they said they were turning in their time.

Mr. McCULLOCH. What time of the year was that?

Mr. HERMANN. This was about the 1st of September.

Mr. McCULLOCH. 1917?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. Can you tell us anything further about the idleness of workmen in your line?

Mr. HERMANN. Well, in my line—

Mr. McCULLOCH. I mean in the steam-fitting line.

Mr. HERMANN. Well, now, none over there, because there wasn't very much steam fitting going on over there. They had some water mains, but the steam fitters didn't have anything to do with that.

Mr. McCULLOCH. Did you have a gang of men tell you when you asked them what they were going to do that they were going down there to watch the moon come up?

Mr. HERMANN. Yes; they did that.

Mr. McCULLOCH. Did they indicate to you their attitude of mind about this whole thing?

Mr. HERMANN. Why, yes, sir; they came over there to put in the time.

Mr. McCULLOCH. Well, tell us about that.

Mr. HERMANN. Well, that is the way I had it figured; they came down there to put in the time that evening.

Mr. McCULLOCH. And did they loaf on the job, to your knowledge?

Mr. HERMANN. They certainly did, because—well, I couldn't see them; I made a round every hour to see these wells and three times that I made my round they were there.

Mr. McCULLOCH. Were they working?

Mr. HERMANN. No, sir. I told you before they had a dice game going on the second time I went around and the foreman was rolling the dice what time I saw them.

Mr. McCULLOCH. The foreman was with them rolling the dice?

Mr. HERMANN. He was there; yes, sir. He was the leader of those dice games at all times, I guess.

Mr. McCULLOCH. What was the foreman's name?

Mr. HERMANN. He was working under Charles Lunn for the Bentley Co. I don't know what his name was; they called him Barney.

Mr. McCULLOCH. But he was on the job with the men playing dice at a time when they were drawing pay from the Government for their work?

Mr. HERMANN. Yes, indeed.

Mr. McCULLOCH. What did you observe in regard to waste of material?

Mr. HERMANN. Well, I saw quite a lot of copper wire wasted by the linemen on that transformer station built over there at the water station, or pump station, rather. I saw a great deal of cement wasted around there. If a sack would burst, they would never pick it up.

Mr. McCULLOCH. Did the waste you observed seem to be willful waste?

Mr. HERMANN. Certainly.

Mr. McCULLOCH. Did you observe how other gangs of men worked—the carpenters, for instance?

Mr. HERMANN. Well, most any time during the day you could go down to the river bank and see a large gang of carpenters playing cards or shooting dice, and they would take—it looked to me like they would take turns about going down there. There would be one gang down and a gang working. This gang would go back and another gang worked a while. I had nothing to do with that.

Mr. McCULLOCH. But you did observe what was going on?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. And you will say to this committee you saw these men loafing and gambling?

Mr. HERMANN. Yes, sir; and quite a number of soldiers with them. These buglers just learning to blow the bugle come down and got in the game with the workmen.

Mr. McCULLOCH. Crap games?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. What do you say as to the waste of nails and lumber, and that kind of thing?

Mr. HERMANN. Well, nails—I saw one time when I was coming from work along the river bank—I saw probably 30 kegs half filled with nails on the edge of the river bank. Well, a week or so later I came by there and these nails were rolled down the river bank into the river.

Mr. McCULLOCH. They had been hauled there, evidently, on the dump pile?

Mr. HERMANN. Undoubtedly so.

Mr. McCULLOCH. And they were rolled down over the river bank?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. Thirty half-filled kegs of nails?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. Were there some of them more than half full?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. Can you give any other instances of material that was wasted?

Mr. HERMANN. Well, lumber, I think, was wasted a little around the waterworks, because they built quite a number of lockers. If anyone said that he wanted a tool box made or a locker built, the carpenter foreman would build it, if he was a friend of his, and maybe they would use it and maybe they wouldn't when it was built: wouldn't suit the fellow.

Mr. McCULLOCH. It was all Government lumber and Government time?

Mr. HERMANN. Yes, sir.

Mr. McCULLOCH. Are there any more instances you can bring to the attention of the committee which might throw some light upon this question of waste of materials and idleness of men?

Mr. HERMANN. No; most of my time was spent on the waterworks, and that is all I know about it.

Mr. McCULLOCH. All right.

### TESTIMONY OF MR. STANTON MORROW, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your name?

Mr. MORROW. Stanton Morrow.

Mr. McCULLOCH. You live at Chillicothe, Ohio, R. F. D. No. 1?

Mr. MORROW. Yes, sir.

Mr. McCULLOCH. Your home is right near the camp, isn't it, Mr. Morrow?

Mr. MORROW. Right outside of the camp.

Mr. McCULLOCH. As I understand it, you worked as a teamster?

Mr. MORROW. Four days.

Mr. McCULLOCH. For the Bentley Construction Co.?

Mr. MORROW. No, sir; McGrath.

Mr. McCULLOCH. Did you work on the camp at any other time?

Mr. MORROW. No, sir.

Mr. McCULLOCH. Living as you do near this camp and you lived there, as I understand, all during this construction and live there now, were you able to observe and did you observe what went on in and about the camp?

Mr. MORROW. Well, nothing particularly, only when they were building the detour road they took the greater part of the gravel off of our place.

Mr. McCULLOCH. Well, did you see any men idling in that gravel pit?

Mr. MORROW. Yes, sir.

Mr. McCULLOCH. Just tell us about that, will you, briefly, in your own words.

Mr. MORROW. Well, there was quite a lot of men every morning, idle men, and all through the day the same way; whether they were visitors or whether they were looking for work or whether they were on the job I couldn't say.

Mr. McCULLOCH. But you saw them loafing around there?

Mr. MORROW. I saw them loafing around there.

Mr. McCULLOCH. In large numbers?

Mr. MORROW. Yes, sir.

Mr. McCULLOCH. How large?

Mr. MORROW. Oh, 40 or 50 men.

Mr. McCULLOCH. Would that be day after day?

Mr. MORROW. Yes, sir.

Mr. McCULLOCH. You don't know what they were there for, but they were there; and were they working?

Mr. MORROW. No, sir.

Mr. McCULLOCH. They were loafing, is that it?

Mr. MORROW. Yes, sir.

Mr. McCULLOCH. Were they working any of the time?



Mr. MORROW. Well, while the teams were loading there were always lots of men loading the teams.

Mr. McCULLOCH. Were there others loading around?

Mr. MORROW. Yes, sir.

Mr. McCULLOCH. When you are referring to the 40 or 50 men you are not talking of those who were working, are you?

Mr. MORROW. Well, I was farming all around there, so that I could see.

Mr. McCULLOCH. What do you say as to the gravel pit being a good place to hide?

Mr. MORROW. I couldn't say anything about that.

Mr. McCULLOCH. You don't know anything about that?

Mr. MORROW. No, sir.

Mr. McCULLOCH. Do you know anything about the waste of materials?

Mr. MORROW. No, sir.

Mr. McCULLOCH. That is all.

#### TESTIMONY OF MR. CARL MILLER, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Just give your name and address.

Mr. MILLER. Carl Miller, 152 North Brownell Street.

Mr. McCULLOCH. Chillicothe, Ohio?

Mr. MILLER. Chillicothe, Ohio.

Mr. McCULLOCH. You worked, as I understand it, for the Bentley Construction Co. from about June 27, 1917, until the close of their contract on Camp Sherman?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. And, as I understand it, you also worked for the McGrath Co. during their contract?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. What did you work at?

Mr. MILLER. Drove team on the job.

Mr. McCULLOCH. Did you have any conversation with Capt. Tragelies with reference to the amount of work the teams were to do?

Mr. MILLER. Well, the first day we worked he told us not to load any more on our wagons than our teams could take to where we had to take it to.

Mr. McCULLOCH. What is that?

Mr. MILLER. Not to overload our teams; only what our teams could take to where we were taking it to.

Mr. McCULLOCH. That was a fair order, wasn't it?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Was there anything said to you about slowing up?

Mr. MILLER. No, sir.

Mr. McCULLOCH. What do you say now as to the number of men that were on the job as to their being idle or not, as you observed and as to the waste of material; just give us what you observed about that as briefly as you can.

Mr. MILLER. Well, the waste of material, when the carpenter foreman would send us to the lumber yard for 14 foot stuff they

would load 16 and 18 foot stuff and tell us the carpenters had saws. It was too long, but they said the carpenters had saws.

Mr. McCULLOCH. What do you say as to whether or not there were too many men on the various jobs?

Mr. MILLER. Well, some jobs there were.

Mr. McCULLOCH. Were they idling and loafing around?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Did you observe that?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. And you also observed the waste of material, you say?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. They had more men than they needed, in your judgment?

Mr. MILLER. Right smart.

Mr. McCULLOCH. Did it leave any impression on you, the waste of materials that went on at this camp?

Mr. MILLER. I used to ask the lumber man if they would like to have a house built—there was about four feet waste on all the material.

Mr. McCULLOCH. Did you haul some of this stuff to the scrap pile?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Have you any other matters that you can bring to the attention of the committee that might be of interest in connection with this hearing?

Mr. MILLER. In the lumber business?

Mr. McCULLOCH. In any line, about the idleness or waste of materials, any specific instance you have in mind.

Mr. MILLER. The only thing I can say about the waste of material, they would allow about two-thirds more lumber than was necessary and after they finished the building we had to haul it back.

Mr. McCULLOCH. Two-thirds more, you say?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. Than was necessary?

Mr. MILLER. Yes, sir.

Mr. McCULLOCH. In other words, they used about two-thirds of what you hauled there?

Mr. MILLER. Yes; some of it went back to the lumber yards and some to another place; some they hauled around until it was wore out.

Mr. McCULLOCH. That is all.

#### TESTIMONY OF CHARLES KUHN, CHILLICOTHE, OHIO.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Give your full name.

Mr. KUHN. Charles Kuhn.

Mr. McCULLOCH. You live in Chillicothe, R. F. D. No. 9?

Mr. KUHN. Yes, sir.

Mr. McCULLOCH. Did you work for the Bentley Construction Co. and for McGrath on their contract on Camp Sherman?

Mr. KUHN. Yes, sir.

Mr. McCULLOCH. How long did you work for them?

Mr. KUHN. Oh, practically all the time; I was off about two months at one time; my wife was sick.

Mr. McCULLOCH. What can you tell the committee as to the waste of materials on the job as you observed it?

Mr. KUHN. Oh, there was more or less waste, trucks running over it and boards being cut off, and big boards, 14 and 16 foot boards, being cut off. Over there at the waterworks I saw them cut off a board 3 or 4 feet longer than necessary, and throw back the board on the pile, as it was before.

Mr. McCULLOCH. What about the method of unloading nails?

Mr. KUHN. Well, I saw them unload nails back of this building; they fixed up a chute there to roll them off the cars; they fixed up a chute and rolled them off the cars, and they would bump against one another and burst, but they just went on.

Mr. McCULLOCH. Did you regard it as a willful waste?

Mr. KUHN. I think so. I have seen the carpenters dump their aprons out on the ground rather than walk 2 feet to a keg. I thought that was waste.

Mr. McCULLOCH. How about the tar paper?

Mr. KUHN. I didn't pay much attention to that. There was some of that, too. It was run over. By McGrath I noticed a lot run over and laid out and run over by the trucks.

Mr. McCULLOCH. What did you observe as to the idleness of men?

Mr. KUHN. There was plenty of them standing around doing nothing.

Mr. McCULLOCH. You, of course, being a teamster, you did not know much about it except you saw them standing around; is that it?

Mr. KUHN. That is all.

Mr. McCULLOCH. And on the destruction of material, did you run over any of it yourself?

Mr. KUHN. Well, I didn't run over it, myself, until it had been run over and mashed up in the roadways. There was no use to stop after it was destroyed, you know.

Mr. McCULLOCH. There was, then, a disregard of the value of materials and they were destroyed?

Mr. KUHN. A man with a team, especially with his own team, would not run over a lumber pile if he could avoid it.

Mr. McCULLOCH. As a final question, have you any specific instances that you can bring to the attention of the committee that might throw some light on this investigation?

Mr. KUHN. No; I don't think so.

Mr. McCULLOCH. Tell us about what occurred at the waterworks.

Mr. KUHN. Well, I was over there about three weeks. I was transferred from the railroad gang over there, and we scraped a few days and then they got to hauling some sod. We practically didn't do anything to amount to anything. There was a foreman there: I don't know what his name was; he had charge of the whole thing. the whole works there, the way I understood it, and they had a bunch of carpenters there. They practically didn't do anything. Toward the last few days there was nothing for us to do. We asked him what to do and he said to go over there and stay by your team. and stay there until I tell you what to do. We did that. I would

unhitch and feed, and there was about four days that he wanted to finish up the job there, and he wanted everybody to stay with him until he was done. Every morning we would ask him what to do and he said, "Watch your team until I tell you what to do."

Mr. McCULLOCH. What did you do during that time?

Mr. KUHN. Sit in the warm and tried to get a windbreak for the team. I went there with the intention of working.

Mr. McCULLOCH. You got paid all along for it?

Mr. KUHN. Yes, sir.

Mr. McCULLOCH. I think that is all.

Mr. McKENZIE. You were about an average teamster?

Mr. KUHN. Yes, sir.

Mr. McKENZIE. Did about what the rest did?

Mr. KUHN. Outside of my wife's sickness—

Mr. McKENZIE (interposing). While you were on the job you were about an average teamster?

Mr. KUHN. Yes, sir.

Mr. McKENZIE. About how much of the time are you willing to say you worked with your team, and how much of the time were you idle over there?

Mr. KUHN. Some teams did as much or more than others.

Mr. McKENZIE. How about yours?

Mr. KUHN. I was on the railroad gang dragging rails, and that work was what work I had; I was under Mr. Gill.

Mr. McKENZIE. And when you went over to the waterworks you loafed, is that the idea?

Mr. KUHN. Yes, sir.

Mr. McKENZIE. How long were you there?

Mr. KUHN. About three weeks. When we first went there we had a right smart of work; there was a bunch of teams there.

Mr. McKENZIE. Do you say your work was 75 per cent efficient; in other words, could you have done 25 per cent more and called it a day's work?

Mr. KUHN. Oh, I have worked harder. This camp was about the easiest job I have ever had.

Mr. McKENZIE. About the easiest job you ever had?

Mr. KUHN. Yes, sir.

Mr. McKENZIE. And the best pay?

Mr. KUHN. Well, about.

Mr. McKENZIE. I think that is all.

I would like to have it appear in the record that the committee will now adjourn so far as the investigation is concerned here at the camp and in the State of Ohio, to be taken up later, perhaps, in the month of December at the opening of the regular session of Congress, at which time we will put into the record such exhibits as are material in connection with this investigation and will hear such further testimony from witnesses as we deem necessary at that time.

The committee will now be adjourned.

(And thereupon, at 5 o'clock p. m., the committee adjourned.)



SUBCOMMITTEE No. 2 (CAMPS)  
OF THE SELECT COMMITTEE ON  
EXPENDITURES IN THE WAR DEPARTMENT.  
HOUSE OF REPRESENTATIVES,  
*Rockford, Ill., Monday, November 10, 1919.*

The committee met at the courthouse in Rockford, Ill., at 9.45 a. m., pursuant to the call of the chairman; Hon. John C. McKenzie (chairman) presiding. Also present, Hon. Roscoe C. McCulloch.

Mr. McKENZIE. The committee will now come to order.

I want to first make a statement that Congressman Frank E. Doremus, of Detroit, Mich., a member of this committee, is unavoidably detained from the hearings to-day on account of being called to New York on a committee to bring back the bodies of Michigan soldiers shipped from Russia, who died in the Russian campaign.

Before taking up the testimony in connection with this camp, I hand this letter to the reporter to be inserted as part of the hearings at Camp Sherman, Ohio.

(The letter referred to is as follows:)

ST. LOUIS, Mo., November 4, 1919.

HON. JOHN C. MCKENZIE.

DEAR SIR: I was a captain in the Medical Corps at the base hospital, Camp Sherman, during the year 1918, and I am glad to see that the Government is investigating the notorious disloyalty and profiteering of the labor organizations. What Joseph Poole says about the nurses and physicians wearing overcoats in the wards is true.

The suffering and inconvenience of the officers in their quarters was worse than in the wards. New officer quarters were erected in the early spring, and 10 steam fitters worked in the building from early morning until late in the evening from spring until the following winter killing time. They played cards and billiards occasionally, but generally when the medical officers were about they would be putting up or taking down the same pipe over and over again—one or two men doing the work and the others looking on. When winter came we had to use coal-oil stoves nearly up to Christmas.

These profiteers couldn't have carried out their dishonest purpose if the contracting firm had not been in collusion with them.

Very truly,

WM. J. SAY.

**TESTIMONY OF MR. WALTER C. DURHAM, ROCKFORD, ILL.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. State your full name to the reporter.

Mr. DURHAM. Walter C. Durham.

Mr. McKENZIE. I will ask Mr. McCulloch to proceed with the examination of the witness.

Mr. McCULLOCH. Where do you live, Mr. Durham?

Mr. DURHAM. I live south of Rockford about 5 miles.

Mr. McCULLOCH. What business are you engaged in?

Mr. DURHAM. I am firing at Camp Grant heating plant.

Mr. McCULLOCH. Are you employed by the Government?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Are you firing an engine, or what?

Mr. DURHAM. No, sir; for heat. The boilers out there for the heating plant.

Mr. McCULLOCH. How long have you been there?

Mr. DURHAM. I have been there about a month and a half. I guess; I commenced the 3d of October.

Mr. McCULLOCH. Who do you work under?

Mr. DURHAM. I believe the captain's name is Moss. I ain't acquainted with him. Lieut. Gates is the one I am working under.

Mr. McCULLOCH. You are working for the Government, employed at Camp Grant as a fireman?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Grant while it was being constructed?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. When did you begin to work there?

Mr. DURHAM. The 2d day of July.

Mr. McCULLOCH. What year?

Mr. DURHAM. 1917.

Mr. McCULLOCH. And under whom did you work?

Mr. DURHAM. Bates & Rogers.

Mr. McCULLOCH. They were the contractors constructing the camp?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. What did you work at?

Mr. DURHAM. Well, I was laboring for about a month, helping to unload lumber and transferring lumber to the barracks they were building.

Mr. McCULLOCH. And then what did you do?

Mr. DURHAM. And then they transferred me from the unit and I was put on the well unit, they called it, and I was a straw boss down there.

Mr. McCULLOCH. Who were you working under; who was your immediate superior when you were a straw boss?

Mr. DURHAM. Huffman was the first one I started out under and they changed, and a fellow by the name of Skiels, I believe, was his name.

Mr. McCULLOCH. While you were straw boss how many men did you have under you?

Mr. DURHAM. I had all the way from 6 to 60, I guess.

Mr. McCULLOCH. Give the committee some idea as to what your duties were as straw boss.

Mr. DURHAM. Well, the superintendent over the unit would come and give me orders, you know, what he wanted done, and then I would take the men, you know, and take them on this work and show them and tell them what I wanted them to do and what to do. Like, you say, I was excavating a ditch for a pipe from one well to another, I would scatter the men on that line of ditch and show them how deep I wanted it and how wide, and so on.

Mr. McCULLOCH. Were the men under you laborers?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Doing all kinds of labor work?

Mr. DURHAM. Doing all kinds of labor work.

Mr. McCULLOCH. How long were you their foreman?

Mr. DURHAM. I was their foreman from about the 1st of August until Thanksgiving.

Mr. McCULLOCH. But you worked on that camp, as I understand it, from July 2, 1917, to November 29, 1918?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did you work under any other contractor?

Mr. DURHAM. I worked under Beckstrom & Ericsson.

Mr. McCULLOCH. When was that?

Mr. DURHAM. Beckstrom—I don't remember if it was 1918 or 1917; it was right after—the next contractor after Bates & Rogers. I don't remember the date.

Mr. McCULLOCH. In what capacity did you work under Beckstrom?

Mr. DURHAM. I was working as a laborer under Beckstrom.

Mr. McCULLOCH. How long did you work as a laborer under him?

Mr. DURHAM. Two months, I think, would catch that; I don't remember exactly.

Mr. McCULLOCH. But you were only a foreman two or three months, is that it?

Mr. DURHAM. I think about that. About the 1st of August they put me on as foreman and I worked as foreman until Thanksgiving, at noon. I quit the job at Thanksgiving noon.

Mr. McCULLOCH. Did you work on various parts of the camp?

Mr. DURHAM. Well, I was right on this well unit until about two weeks before I quit; they had me chasing over the camp gathering up pipes on the water lines.

Mr. McCULLOCH. While you were going over the camp were you in position to observe how the men were working; what was being done there?

Mr. DURHAM. I would go for a bunch of pipe and maybe had a few men working and loading on this bunch, and would go on and spot another bunch, and then go to the yards and rank them up.

Mr. McCULLOCH. So you were all over the camp?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. And while you were over the camp could you see what was going on; how the men were working?

Mr. DURHAM. Not all the men.

Mr. McCULLOCH. Did you get a general idea of it?

Mr. DURHAM. I could see the few I had with me.

Mr. McCULLOCH. Then you only know about your own men?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did you receive any orders from your superior, from the fellow that you were working under, as to how you were to work; what to do?

Mr. DURHAM. Sure; every morning he would come around and give me orders what he wanted me to start out on.

Mr. McCULLOCH. What did he say, if anything, about slowing up the work or speeding up?

Mr. DURHAM. He never did say anything to me but one time.



Mr. McCULLOCH. What did he say then?

Mr. DURHAM. He said to hurry up and see whether he could get this ditch through that day.

Mr. McCULLOCH. He never did say anything about slowing up?

Mr. DURHAM. No, sir.

Mr. McCULLOCH. What did you observe about the waste of lumber and material on that camp?

Mr. DURHAM. Well, I consider there was lumber wasted.

Mr. McCULLOCH. Tell us about that. How was it wasted?

Mr. DURHAM. There would be a plank thrown down when it was muddy and then they would pick it up and haul it to the scrap pile. I called it.

Mr. McCULLOCH. Did you regard it as good lumber?

Mr. DURHAM. Certainly; it was good lumber, as good as any they have had on the camp.

Mr. McCULLOCH. What was done with it after they got it on the scrap pile?

Mr. DURHAM. Burned up, part of it; part of it is still out there, and some of it has been sold for kindling.

Mr. McCULLOCH. What else did you notice in regard to the destruction of lumber or its being wasted?

Mr. DURHAM. Take the carpenters sometimes, I think they could pick up a short piece and make it fit where they took a long piece and cut it off.

Mr. McCULLOCH. You are not a carpenter?

Mr. DURHAM. No, sir.

Mr. McCULLOCH. But you just got the impression from the way they were handling the lumber, they were not economizing and were wasting it?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Why do you think that was done?

Mr. DURHAM. Sure; all around where I was working, generally all over the camp.

Mr. McCULLOCH. That is, there was waste in the destruction of lumber?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. By reason of not handling properly or utilizing the small pieces, is that it?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Was there any other waste in regard to lumber that you observed?

Mr. DURHAM. No; I don't know that there is.

Mr. McCULLOCH. What, if any, other waste of material did you notice?

Mr. DURHAM. Well, I think there was waste in tools.

Mr. McCULLOCH. Tell us about that.

Mr. DURHAM. The tools would be thrown down and they would go off and leave them, and shovels covered up by leveling and the teams.

Mr. McCULLOCH. That is, small tools?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did you see much of that?

Mr. DURHAM. Well, I never seen so much of that, because I was not on so many jobs. I went to different places with my gang of men and run on to some tools laying there.

**Mr. McKENZIE.** When that would happen and the workmen were found to be short of tools, how did they get tools to go on with the work?

**Mr. DURHAM.** Why, they would go to the superintendent of the unit and tell him they needed so and so and they would get them.

**Mr. McKENZIE.** New tools would be issued to them?

**Mr. DURHAM.** Yes, sir; new tools would be issued to them.

**Mr. McKENZIE.** You don't know, of course, who was paying for those tools?

**Mr. DURHAM.** No; all I know about it I heard them talking about it, you know. My understanding was Bates & Rogers was getting a percentage off of every dollar that was spent on the camp, and it was——

**Mr. McKENZIE (interposing).** And was it your understanding that every time a tool was lost that a new one was issued and that added to their profit?

**Mr. DURHAM.** It added to their profit.

**Mr. McKENZIE.** Of course, that is a matter to be determined in another way, who was paying for the tools. That is very interesting.

**Mr. McCULLOCH.** Tell the committee what the attitude of the men was in regard to the waste of material, due to this impression that prevailed.

**Mr. DURHAM.** I don't understand that.

**Mr. McCULLOCH.** What the committee wants to get is the truth about it. You say that there was a waste of tools.

**Mr. DURHAM.** Yes, sir.

**Mr. McCULLOCH.** They would leave them lying around?

**Mr. DURHAM.** Yes, sir; leave them lying around.

**Mr. McCULLOCH.** And not pick them up, and they would be destroyed or lost?

**Mr. DURHAM.** Yes, sir.

**Mr. McCULLOCH.** Why did the men permit that to happen?

**Mr. DURHAM.** Well, whenever it came to quitting time every man throwed down whatever he happened to have; he would drop them down to get to town, or if he lived in the barracks, to be the first to the table.

**Mr. McCULLOCH.** You would not work that way under a private contractor?

**Mr. DURHAM.** No, sir; I didn't do it.

**Mr. McCULLOCH.** Would the men do it?

**Mr. DURHAM.** No, sir.

**Mr. McCULLOCH.** Why did they do it there?

**Mr. DURHAM.** Because that I couldn't force them to do it.

**Mr. CULLOCH.** You couldn't force them, and therefore they didn't do it.

**Mr. DURHAM.** No, sir; they didn't.

**Mr. McCULLOCH.** Did the impression that prevailed over the camp that the contractor would get an additional percentage of profit have any effect on it; would that be the reason for it?

**Mr. DURHAM.** No; I don't know that it was. But a man would have so many men and they would be strung out and the foreman could not force every man to pick up his tools and put them away, and when the whistle blowed they throwed them down on the ground.

Mr. McCULLOCH. Do you say there was too many men on the job?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. DURHAM. Well, when I had 60 men, and strung out all the time, I couldn't keep my eye on them all the time.

Mr. McCULLOCH. Were you getting as good a result all the time as you could have with less men?

Mr. DURHAM. No, sir; I could have taken half the men and done as much work, according to my judgment.

Mr. McCULLOCH. Why was it you had 60 men when you only needed 30?

Mr. DURHAM. They would be brought down there and the superintendent would tell me to take them out.

Mr. McCULLOCH. Did you ever tell him you had too many men?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. What did he say?

Mr. DURHAM. He said we had to get shed of them.

Mr. McCULLOCH. Get rid of them, you mean?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did you get rid of them?

Mr. DURHAM. Yes; sometimes, and sometimes I wouldn't.

Mr. McCULLOCH. When you got rid of them what became of them?

Mr. DURHAM. Chased them to some other part of the camp—some other place.

Mr. McCULLOCH. Did you see them after that?

Mr. DURHAM. Yes; I seen many of them would go right back on the job, and, in two or three hours after that, on a wagon.

Mr. McCULLOCH. I want to finish up with the materials and then get back to labor; what other waste of materials did you notice?

Mr. DURHAM. That is about all, I believe, that I noticed.

Mr. McCULLOCH. Tools and lumber?

Mr. DURHAM. Tools and lumber.

Mr. McCULLOCH. How about wall board and roofing materials, and that kind of thing?

Mr. DURHAM. I never paid much attention to that, and don't know about that.

Mr. McCULLOCH. You didn't see that?

Mr. DURHAM. No, sir.

Mr. McCULLOCH. How about nails; did you see any waste of nails?

Mr. DURHAM. Quite a good many nails were lying around.

Mr. McCULLOCH. Tell us about the nails.

Mr. DURHAM. You could go around the edge of the ground; it was pretty thick with nails on the ground, laying around.

Mr. McCULLOCH. What waste of materials? I wish you would tell the committee, in your judgment what proportion of the materials were wasted. Give us some idea so that we can get your view regarding this waste and how great this waste was.

Mr. DURHAM. Well, I don't understand carpenter work well enough to give you an idea on that.

Mr. McCULLOCH. You do understand the waste of tools was through negligence?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Tell us about that; was it small or great, or incidental.

Mr. DURHAM. I would call it great. Every week you would have to have a new set of tools, and I would call that going pretty deep.

Mr. McCULLOCH. So that they had to have a new set of tools every week?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. That was due to what, now?

Mr. DURHAM. Due to throwing them down and not taking care of them.

Mr. McCULLOCH. Was there ever any effort on the part of your superiors and those who represented the contractor to remedy this loss?

Mr. DURHAM. No, sir.

Mr. McCULLOCH. Did you report it to your boss at any time?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. What did he say about that to you?

Mr. DURHAM. He said we would have to look after that and get them up the best we can.

Mr. McCULLOCH. But never looked after it?

Mr. DURHAM. It was never forced.

Mr. McCULLOCH. You mean they never made the men pick them up?

Mr. DURHAM. No, sir.

Mr. McCULLOCH. They were just permitted to lie around as they were before; is that right.

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. And the result of that was that about every week they had to have new tools.

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. And you regard that as a great waste as a result of negligence.

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. What do you say to the committee as to whether the contractor's agent knew about this?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. You say to the committee that the contractor's agent knew about this because you told him about this, is that right?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. And it was not remedied; is that right?

Mr. DURHAM. It was not remedied; no, sir.

Mr. McCULLOCH. Going to the waste as a result of the idleness of the men, and too many men being on the job; did you attempt to get the work out of your men?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. What did you do?

Mr. DURHAM. Why, I would tell them we had better pick up on this thing a little bit, we were not getting anything done around here; going too slow.

Mr. McCULLOCH. What did they say to you?

Mr. DURHAM. The fellows would say, "To hell with you; you are afraid of your job; you never was on the works before; you don't know how to handle this sort of work."

Mr. McCULLOCH. You were the foreman?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. They were under you?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did you fire anybody?

Mr. DURHAM. No, sir; but I would report to the superintendent.

Mr. McCULLOCH. What would happen?

Mr. DURHAM. I had him fire some of them, and they would go right to the camp and hire over again.

Mr. McCULLOCH. They knew they could do that, didn't they?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. What was the effect on the men, knowing that they could get another job?

Mr. DURHAM. I don't know just how they did it, but they said they could get another job, "To hell with you."

Mr. McCULLOCH. Therefore you could not get the work out of them, is that right?

Mr. DURHAM. No, sir; I couldn't get the work out of them.

Mr. McCULLOCH. What part of the work could you get out of them according to what you should have got out of them?

Mr. DURHAM. I would say a half.

Mr. McCULLOCH. And you had twice as many men as you needed then, is that right?

Mr. DURHAM. Twice as many men as I needed.

Mr. McCULLOCH. You had twice as many men as you needed, and you only got half as much work out of the men as you ought to have got actually, is that right?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. As you would work——

Mr. DURHAM (interposing). If I had been doing the work for myself, I had again as many men as I would want to do the work for myself.

Mr. McCULLOCH. Did you hear any statements made by men on the job about the contractor not caring how much it cost, because it increased his percentage?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee about that.

Mr. DURHAM. Well, we would be working on the jobs, you know, and I would say something about it not going like it ought to and they would say, "What do you care, you are getting yours out of it, and the contractor don't care, he gets a percentage out of every dollar spent here; the more it costs the better it suits him."

Mr. MCKENZIE. Was that conversation general among the men?

Mr. DURHAM. That was general among the men.

Mr. McCULLOCH. Was it common talk among them?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. I wish you would give the committee some instances of where you had too many men working for you in the handling of pipe or anything they were doing. Give us some instances where you had too many men.

Mr. DURHAM. Well, when they were excavating around the wells there, when they were cutting this ditch from where the reservoir is over to the last well there I had too many men.

Mr. McCULLOCH. What was the effect of that? Say in carrying a piece of pipe, what was the effect of having too many men?

Mr. DURHAM. The men would not take hold with so many men there. On a small 2 or 3 inch pipe, about 12 feet long, they would not take hold of that piece of pipe, without there was as many as six men on it.

Mr. McCULLOCH. When how many could handle it?

Mr. DURHAM. Well, four men—well, I tell you what I have done there; I would take two men and put two men on the end—it made me sore—I said, “Men, I will show you,” and I would have two men take hold there and I would pick up the other end myself and carry it. It was plenty easy for four men when there was six on it, and I don’t think if I was working myself I would have that many.

Mr. McCULLOCH. How many would you put on?

Mr. DURHAM. About three.

Mr. McKENZIE. How much do you weigh?

Mr. DURHAM. About 145, I guess.

Mr. McCULLOCH. What did you observe about the steam fitters and plumbers?

Mr. DURHAM. Well, they were taking it pretty light, I think.

Mr. McCULLOCH. Were they working as hard as your men were?

Mr. DURHAM. I don’t think they were.

Mr. McCULLOCH. If your men were doing half of what they ought to do, what do you say the plumbers were doing?

Mr. DURHAM. About one-third.

Mr. McCULLOCH. Can you give the committee any instances where you observed the plumbers were not doing what they ought to do?

Mr. DURHAM. Yes; on the west side of the reservoir and the water main they tapped an inch hole, and it took two men two days and a half tapping an inch hole and putting a drain in.

Mr. McCULLOCH. It took two men two days and a half to cut that inch hole?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. How quick ought that to have been done?

Mr. DURHAM. I never done much of that work, but to give them big time I should say two hours.

Mr. McCULLOCH. And it took them two days and a half?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did they have any helpers?

Mr. DURHAM. No; it was dug out. I took the laborers myself and dug the dirt out myself for them to get to it.

Mr. McCULLOCH. You were in position to observe this because you got it ready?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. Did the laborers get everything ready?

Mr. DURHAM. Yes, sir; all they had to do was to get the drill ready and then screw the cock in.

Mr. McCULLOCH. So this was an instance that came under your personal observation because you worked on the job?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. What, if anything, was said about men quitting?

Mr. DURHAM. Well, I don’t think there was anything said about men quitting on the Rogers job—Bates & Rogers.

Mr. McCULLOCH. What about the other jobs?

Mr. DURHAM. I never heard anything, only on Erricson's job.

Mr. McCULLOCH. Tell us about that.

Mr. DURHAM. They said you couldn't quit; if you quit they would have you put in the Army.

Mr. McCULLOCH. They would draft you; is that it?

Mr. DURHAM. Yes, sir.

Mr. McCULLOCH. And yet during that time, do you say, they had too many men on the job?

Mr. DURHAM. Well, I couldn't say about that, because there wasn't too many—I was working on the roads at that time myself; a laborer.

Mr. McCULLOCH. You were not a foreman then?

Mr. DURHAM. No; I was not a foreman then.

Mr. McCULLOCH. Have you any other instances or matters that you could bring to the attention of the committee that might throw some light on how that work was conducted out there?

Mr. DURHAM. Well, I think when Beckstrom had it building hay sheds over there they had too many men on the job then.

Mr. McCULLOCH. Tell us about that, and about how many too many men.

Mr. DURHAM. I guess there was something like 75—50 or 75 on the job I was on, and about all the work we had we would unload three or four carloads of cinders in a day and then maybe three or four days before we got any more cinders, and they were punching around and tamping these cinders and beating them on the floor, when they had already been beaten.

Mr. McCULLOCH. Were the men largely idle, or were they doing work?

Mr. DURHAM. Some of them were talking, and when anybody would come around they went to punching the cinders down.

Mr. McCULLOCH. Was the foreman on the job?

Mr. DURHAM. Yes, sir; but he was like I was, he had so many men that he could not see them all; when he came around they were working.

Mr. McCULLOCH. If this work had been done under a lump sum contract where the contractor was interested in having it done quickly and well, what do you say whether it would be done as it was done there?

Mr. DURHAM. I don't think it would. A man would figure pretty close how much it takes to do a day's work and he could have his men down to work and he could have seen after them.

Mr. MCKENZIE. This is your home?

Mr. DURHAM. Yes; I have been living in Rockford for three years.

Mr. MCKENZIE. You have been living here for three years?

Mr. DURHAM. Yes, sir.

Mr. MCKENZIE. What did you work at before you went to Camp Grant; common laborer?

Mr. DURHAM. Yes, sir.

Mr. MCKENZIE. What was the prevailing wage for common labor in Rockford prior to the commencement to the construction of this camp?

Mr. DURHAM. I was getting \$3 a day when I quit and went to work out there.

Mr. MCKENZIE. That was the prevailing wage?

Mr. DURHAM. Yes, sir.  
Mr. McKENZIE. You were getting as much as anybody, I presume.  
Mr. DURHAM. Yes, sir.  
Mr. McKENZIE. What did they pay at the camp?  
Mr. DURHAM. \$3.80.  
Mr. McKENZIE. Are you a union man?  
Mr. DURHAM. Yes; I belong to the union; yes, sir.  
Mr. McKENZIE. Then \$3 a day was the union scale?  
Mr. DURHAM. No; I don't believe it was.  
Mr. McKENZIE. Do you know what the union scale was?  
Mr. DURHAM. No. I had not joined the union at that time.  
Mr. McKENZIE. Did you work beside union men or did you know what they were getting at that time?  
Mr. DURHAM. No, I did not know at that time.  
Mr. McKENZIE. But you did get \$3.80 a day when you went to the Camp?  
Mr. DURHAM. Yes, sir.  
Mr. McKENZIE. Was that afterwards raised?  
Mr. DURHAM. Not while Bates & Rogers had the contract.  
Mr. McKENZIE. Was it later on?  
Mr. DURHAM. Later on it was raised.  
Mr. McKENZIE. What is the prevailing scale here now, do you know, for labor?  
Mr. DURHAM. Sixty cents an hour, I think.  
Mr. McKENZIE. For common labor?  
Mr. DURHAM. Yes; I tell you about the experience I had with the union; they struck for wages, you know——  
Mr. McKENZIE (interposing). At the camp?  
Mr. DURHAM. No; here in town. I went out of the laboring work and went on the island to work in a restaurant, and I haven't monkeyed with the union any since.

#### TESTIMONY OF MR. W. L. NORMAN, CHICAGO, ILL.

(The witness was duly sworn by Mr. McKenzie.)  
Mr. McCULLOCH. What is your name?  
Mr. NORMAN. W. L. Norman.  
Mr. McCULLOCH. Tell us where you live.  
Mr. NORMAN. My home at the present time is at the Y. M. C. A., Chicago.  
Mr. McCULLOCH. You live in Chicago?  
Mr. NORMAN. Yes, sir.  
Mr. McCULLOCH. Was Rockford at one time your home?  
Mr. NORMAN. Yes, sir.  
Mr. McCULLOCH. Where did you reside when you lived here?  
Mr. NORMAN. 514 Locust Street.  
Mr. McCULLOCH. Are you temporarily in Chicago, or——  
Mr. NORMAN (interposing). Permanently in Chicago now.  
Mr. McCULLOCH. Did you work at Camp Grant?  
Mr. NORMAN. Yes, sir.  
Mr. McCULLOCH. When did you go to work there?  
Mr. NORMAN. I think about July or August, 1918.  
Mr. McCULLOCH. How long did you work there?



Mr. NORMAN. About between six or seven months, I think.

Mr. McCULLOCH. What did you work at; what did you do?

Mr. NORMAN. Well, I was finishing on the road.

Mr. McCULLOCH. On the road?

Mr. NORMAN. Yes; cement finishing.

Mr. McCULLOCH. Were you a foreman?

Mr. NORMAN. I was, after that; yes, sir.

Mr. McCULLOCH. Cement foreman?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. And also a labor foreman?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. You were doing road work?

Mr. NORMAN. Road work and putting in the foundations and floors.

Mr. McCULLOCH. In the buildings?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Did you work over the camp generally?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Were you in a position to notice and observe what went on over the camp generally?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Your work there, then, was not confined to one particular place?

Mr. NORMAN. No, sir.

Mr. McCULLOCH. I wish you would tell the committee, generally, and then we will get down to specific instances—what you observed in regard to the waste of materials, if anything.

Mr. NORMAN. Well, there was plenty of cement wasted, due to the fact there was no covering for it. Sometimes we had building paper to cover it up with and sometimes we couldn't.

Mr. McCULLOCH. You are a practical cement man; you know something about handling cement?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee, in a general way, how the cement was wasted and what could have been done to stop the waste or prevent the waste and why you think it was wasted, or why the precautions were not taken to take care of it and protect it. Give us your view of it in your own words.

Mr. NORMAN. Well, I think the reason that it was wasted they had platforms where the cement had been piled up and had tarpaulins to cover it up with, and a great many times too much cement was hauled on the job.

Mr. McCULLOCH. You were a foreman; why did that occur?

Mr. NORMAN. On the road, working on the road, I was foreman on the road; this finishing I did at that time. They had cement lined up there in probably 50 or 100 sacks there so far, you see, just to last until you got to the next place, and I think they had it too far ahead at that time of the year. It was a rainy season, and they could have avoided that. That could have been avoided.

Mr. McCULLOCH. Did that result in waste?

Mr. NORMAN. Absolutely; yes, sir. The cement got wet and could not be used.

Mr. McCULLOCH. Do you think that having too much cement there was due to a lack of management?

Mr. NORMAN. Yes, sir; absolutely.

Mr. McCULLOCH. Or carelessness?

Mr. NORMAN. Carelessness or mismanagement.

Mr. McCULLOCH. Carelessness or mismanagement, one or the other.

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. On a contract where the contractor was interested in getting the work done at a reasonable figure, and quickly, and in a proper manner, would any such thing as that occurred?

Mr. NORMAN. Absolutely no, sir; it would not.

Mr. McCULLOCH. So you think that was willful waste that could have been avoided?

Mr. NORMAN. Absolutely; yes, sir.

Mr. McCULLOCH. What do you say?

Mr. NORMAN. Apparently; yes, sir.

Mr. McCULLOCH. Apparently it could have been avoided?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. What other waste of material was there, lumber, for instance? Did you observe any waste of lumber?

Mr. NORMAN. Yes, sir. I saw quite a bit of lumber wasted.

Mr. McCULLOCH. How was it wasted?

Mr. NORMAN. They took a long board and sawed a piece off where they could have used a short piece. They had plenty of laborers in the building to help the carpenters where they could have handed a short piece to the carpenter on the top floor.

Mr. McCULLOCH. But they didn't do that?

Mr. NORMAN. No, sir.

Mr. McCULLOCH. What did they do?

Mr. NORMAN. Sawed it off a long piece.

Mr. McCULLOCH. And gathered up the short pieces——

Mr. NORMAN (interposing). Threw it on the waste pile.

Mr. McCULLOCH. Do you know of materials being burned up or destroyed; a bonfire?

Mr. NORMAN. No; unless they used it for heating purposes.

Mr. McCULLOCH. What is your judgment as to the percentage of the waste of lumber?

Mr. NORMAN. Well, I am not a carpenter.

Mr. McCULLOCH. Was it small or great, in your opinion?

Mr. NORMAN. There was enough of it wasted; more than necessary.

Mr. McCULLOCH. You think it was due to carelessness and lack of proper management?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. What about the nails?

Mr. NORMAN. There were plenty of nails lying around; too many.

Mr. McCULLOCH. Give us some idea. Of course, there would always be probably a few nails lying around on the job, but give us some idea of what you saw there.

Mr. NORMAN. I think if a man had been hired for that purpose and was told he could have all the nails he picked up, he could have picked up many kegs over the camp.

Mr. McCULLOCH. You think there were a great many kegs of nails wasted?

Mr. NORMAN. Yes, sir; absolutely.

Mr. McCULLOCH. A willful waste?

Mr. NORMAN. Apparently.

Mr. McCULLOCH. How about the building paper and roofing paper?

Mr. NORMAN. The building paper might have been taken inside and left inside under cover, but it was broken up and in the rain and they couldn't use it.

Mr. McCULLOCH. You did see, then, a waste of building paper?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Which you think was unnecessary and uncalled-for?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. How about breaking a new roll to get a small piece; did you ever observe that?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. When they could have used a part of a roll that was already broken?

Mr. NORMAN. Well, not that; I have seen pieces 6 or 8 or 10 feet long that could have been used between windows, and they opened a new roll for that purpose.

Mr. McCULLOCH. And you regarded that as waste?

Mr. NORMAN. Waste; yes, sir.

Mr. McCULLOCH. And not a proper way to handle materials?

Mr. NORMAN. No, sir.

Mr. McCULLOCH. If you are going to handle them economically, is that right?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Can you tell us anything else about the waste of materials in addition to what you have already told us?

Mr. NORMAN. Well, there was cement and lumber and nails. Here is another case of mismanagement, I think, or carelessness: We would order cement or sand or gravel for certain jobs and give the order for so many cubic yards of sand and so many cubic yards of gravel or stone, and they would pass the buck, you might call it. This fellow would give the order for so many yards of sand or stone and the other fellow for the same amount, and sometimes you had 20 yards of sand or stone, when you needed only 6 or 7.

Mr. McCULLOCH. On that particular job?

Mr. NORMAN. Yes; on that particular job; too much material.

Mr. McCULLOCH. That was due to what?

Mr. NORMAN. Well, too many higher-ups.

Mr. McCULLOCH. Too many bosses?

Mr. NORMAN. Too many bosses; absolutely, a case of mismanagement.

Mr. McCULLOCH. Would that have occurred, in your judgment, under a lump-sum contract, where the contractor was interested in doing the work at a reasonable price and quickly?

Mr. NORMAN. No, sir; it would not.

Mr. McCULLOCH. What happened to the sand and gravel afterwards; was it gathered up and taken to another place?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. And used?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. And you think it was a waste to transport the gravel from one place to another?

Mr. NORMAN. Yes, sir; a waste of time and labor.

Mr. McCULLOCH. Added to the cost?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Would it have been possible for the boss if he had been handling the matter in the proper way to estimate how much he needed on that job and have that much on the job?

Mr. NORMAN. I always did.

Mr. McCULLOCH. Yet they brought on this additional amount.

Mr. NORMAN. Yes, sir; absolutely.

Mr. McCULLOCH. That was unnecessary?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Is there anything else that you can tell us about the waste of material?

Mr. NORMAN. No; I don't think that there is.

Mr. McCULLOCH. Dealing with the material waste entirely now, can you give the committee some opinion—it could only be your opinion—as to what percentage of the materials were wasted; just your idea?

Mr. NORMAN. That would be a hard thing in the cement line, because there were probably hundreds of barrels of cement used there a day and so many sacks wasted due to the fact that it was not covered up, or thrown about; that would be a mighty hard thing to figure out, just the percentage that was lost.

Mr. McCULLOCH. Of course, you can not figure out entirely.

Mr. NORMAN. No, sir.

Mr. McCULLOCH. Give us your idea; was it one-third?

Mr. NORMAN. No; I wouldn't say one-third.

Mr. McCULLOCH. One-fourth?

Mr. NORMAN. I would say probably 15 per cent.

Mr. McCULLOCH. Over and above what would ordinarily be wasted on a job?

Mr. NORMAN. Yes; 20 per cent.

Mr. McCULLOCH. Twenty per cent more than ought to have been wasted, is that right?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Going to the question of waste as the result of idleness on the part of men, mismanagement in the handling of men, and having too many men, can you tell us about that?

Mr. NORMAN. Well, I had men enough. I could always find room for them. I had all the way from 6 men up to 40, 50, or 60 of them through the labor work there, the cement work; putting in concrete work I sometimes had 25 or 30 of them, but I always found room for them.

Mr. McCULLOCH. You could always use them; is that it?

Mr. NORMAN. I could always use them; would make three gangs and put on three mixing boards instead of one, you see.

Mr. McCULLOCH. So on your job you did not have too many?

Mr. NORMAN. No; couldn't have too many.

Mr. McCULLOCH. Never had too many, because you could use them all?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. What about there being too many for proper supervision?

Mr. NORMAN. I could place them so I could look after them.

Mr. McCULLOCH. What kind of men did they furnish you?

Mr. NORMAN. Some of them mighty poor; some boys that never did a day's work, and some old fellows not capable of doing a day's work.

Mr. McCULLOCH. They were paid the same?

Mr. NORMAN. Absolutely; yes, sir.

Mr. McCULLOCH. How about the foremen; were the foremen capable always?

Mr. NORMAN. Well, some of them, I think, had some experience, but I think a great many of them had never worked on a job in their lives.

Mr. McCULLOCH. And yet they were foremen?

Mr. NORMAN. And still they were foremen; yes, sir.

Mr. McCULLOCH. What was the effect of such supervision as that of getting the work out of the men?

Mr. NORMAN. They did not know what to do and did not know how to place their men, and naturally couldn't get the best results out of their men.

Mr. McCULLOCH. Would that kind of condition have obtained if this work was being done under a lump-sum contract?

Mr. NORMAN. No, sir.

Mr. McCULLOCH. You think a lump-sum contractor would not have stood for that a minute; is that right?

Mr. NORMAN. Absolutely not.

Mr. McCULLOCH. Now, what was the effect of that condition as resulting in the loss and waste to the Government?

Mr. NORMAN. A lot of loss and delay, naturally would be.

Mr. McCULLOCH. Would it speed the work up or delay it?

Mr. NORMAN. Delay it, absolutely.

Mr. McCULLOCH. What did you observe as to the number of men that were working on other jobs than your own? You have said that you would be able to supervise it?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Because you had experience on that line, is that the reason?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. And you have said there were men that did not have the experience, is that right?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. What did you observe as to the number of men employed on other jobs other than the cement work; the road building, on so on?

Mr. NORMAN. On road building they made pretty good time; they were mostly experienced men; that is about all they hired on the road.

Mr. McCULLOCH. How is that?

Mr. NORMAN. I say they made an effort to hire experienced men on the road work, men that had experience in the concrete line.

Mr. McCULLOCH. Where were these men working that you said were inefficient men and boys; where were they?

Mr. NORMAN. All through; digging the holes for the posts for the buildings and things of that kind, and digging in the ditches.

Mr. McCULLOCH. How about the carpenter gangs, now; what did you observe about the carpenters?

Mr. NORMAN. Well, I saw some mighty good carpenters and some mighty poor ones; fellows that probably never had experience at all; fellows who came and hired as carpenters. I had two in my gang—laborers—that were absolutely no good. I discharged them and they went away and I saw them a couple of days after that with saws and hammers and they had hired as carpenters. I saw one fellow trying to saw a board with a rip saw, and he was wondering why he couldn't saw it. He was on there seven weeks, I think.

Mr. McCULLOCH. Drawing pay as a carpenter?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee of what this waste or loss as a result of having too many men on the job, or inefficient men was; was it great or small?

Mr. NORMAN. I say it was great, because a carpenter of that kind could not do a decent day's work as a carpenter.

Mr. McCULLOCH. What do you say as to what would be natural for a contractor who had the job on a lump-sum contract?

Mr. NORMAN. On some buildings it was done efficiently, but on some it was done on a loss and cost a great deal more than it should have.

Mr. McCULLOCH. Now, you have qualified that. You say on some it was right and some wrong.

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. The committee wants to get the truth about this thing. Did this condition where a loss resulted from inefficient men and too many men and lack of management exist generally; was it general or incidental?

Mr. NORMAN. You might call it general.

Mr. McCULLOCH. You would call it general?

Mr. NORMAN. Yes; take it as a whole.

Mr. McCULLOCH. General, as a whole.

Mr. NORMAN. Yes; take it over the whole camp, it was general.

Mr. McCULLOCH. You have given us now a general view of the subject; I wish you would give us some specific instances of which you have direct knowledge where there was inefficiency and conflict of authority, and so on, such as the case where the superintendent told you to take your men and dig two cesspools, and so on. Tell us about that.

Mr. NORMAN. One of them came around and told me to dig a cesspool 5 feet square and 9 feet deep.

Mr. McCULLOCH. Who was the man?

Mr. NORMAN. Mr. Larson, I think.

Mr. McCULLOCH. All right.

Mr. NORMAN. And another one came around and looked at the size of the hole and said it was not large enough.

Mr. McCULLOCH. Who was that man?

Mr. NORMAN. Mr. Henry Ericsson.

Mr. McCULLOCH. He was the contractor?

Mr. NORMAN. Yes; and he told me to make the hole 5 feet 6 inches square; and another one, I think, Walter Ericsson, asked me what I

was doing, and I said, "Digging a cesspool," and he said, "What size; what is the size of it?" I said, "One man says 5 feet and the other says 5 feet 6 inches." And he said, "All right." So the next day they came back with the form for the cesspool.

Mr. McCULLOCH. With what?

Mr. NORMAN. The form that went down into it. I was told to dig that hole 5 feet square and I dug it 5 feet square, and the form was 5 feet 6 inches, and we had to get the men down in there again and tear it down on two sides, you know, to make it larger and dig it out.

Mr. McCULLOCH. How much larger did you have to make it?

Mr. NORMAN. Six inches on two sides.

Mr. McCULLOCH. What were you digging into?

Mr. NORMAN. Well, we were digging into clay, gumbo, and hardpan.

Mr. McCULLOCH. Hard digging, was it?

Mr. NORMAN. Absolutely.

Mr. McCULLOCH. What was the effect, do you say, as to the conflict of authority or what should be done?

Mr. NORMAN. Well, loss of time; too many bosses.

Mr. McCULLOCH. Would that have happened, in your opinion, if this work had been done under a contractor you was interested in having the work done efficiently and speedily?

Mr. NORMAN. No, sir.

Mr. McCULLOCH. What was the effect of that kind of authority on the speed with which it was done?

Mr. NORMAN. There was loss.

Mr. McCULLOCH. It delayed it?

Mr. NORMAN. Delayed it, absolutely.

Mr. McCULLOCH. What about the strainer for that cesspool?

Mr. NORMAN. Mr. Ericsson came around and told me that he thought the hole was deep enough for the water and wastage from the kitchen, that the water and wastage would seep through, and I told him that I did not think it would, because there was a mixture of sand and clay at the bottom; we had not gone deep enough. I told him that I had made several cesspools and had a little experience along that line, and I recommended taking a barrel and putting it inside of the cesspool and having water run from the kitchen into the barrel and have the water stay there and the grease would stay on top and they could dip it out at any time. He said it might do, but he did not think it would work. And when we finished that they had made a drawing of it and went to the carpenter shop and a couple of carpenters put in two or three days to make a fancy box for it. You might have taken a barrel, of which they had plenty around there. And I call that inefficient.

Mr. McCULLOCH. It was a loss?

Mr. NORMAN. Absolutely.

Mr. McCULLOCH. It was a loss of \$12 as against the price of a barrel.

Mr. NORMAN. Yes, sir; about 50 cents, absolutely.

Mr. McCULLOCH. Did you ever keep track of the cost of work you did on the camp and make a comparison?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. NORMAN. In filling in latrines and bathhouses, we had several buildings on the hillside, and the foundation on two or three of them was 4 to 6 feet high; in order to put in a level floor we had to fill in. I kept track of the soil that was hauled there and dumped there. It was a haul of about 100 feet, running up the gang plank and down again, and when I started it cost about between 27 and 30 cents a cubic yard to move that dirt, and I had a couple of men laying down on me and I discharged them; they were either too old or too lazy, they couldn't do the work; I discharged them, and I think it was Walter Ericsson who came around and told me not to discharge any more men, loud enough so that all the men there heard it.

Mr. McCULLOCH. All the men working on your job?

Mr. NORMAN. Yes, sir; heard the remark. I said, "What are you going to do if a man lays down absolutely on the job?" He said, "We need the men, that is all; let them work." I kept track of the cost and it jumped from 27 to 30 cents a yard to between 55 and 60 cents a yard.

Mr. McCULLOCH. Or more than double?

Mr. NORMAN. Practically double; yes, sir.

Mr. McCULLOCH. What do you say to the committee was the cause of that increase of the cost?

Mr. NORMAN. Well, this order not to discharge any more men, and the men knew it.

Mr. McCULLOCH. This Ericsson was the contractor?

Mr. NORMAN. Yes, sir; his father was.

Mr. McCULLOCH. That is Walter Ericsson told you.

Mr. NORMAN. Yes, sir; he is one of the firm.

Mr. McCULLOCH. He is general superintendent on that job?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. And one of the firm?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. And he came to you as a foreman and told you you should not discharge any men?

Mr. NORMAN. Absolutely.

Mr. McCULLOCH. And when you said that the men laid down on the job, you asked him what you should do, and he said to keep them?

Mr. NORMAN. He said, "Keep them, because I need the men."

Mr. McCULLOCH. And you say to the committee that as a result of that the cost of doing that jumped 100 per cent?

Mr. NORMAN. One hundred per cent or better.

Mr. McCULLOCH. And, in your opinion, it was due to the fact that the men knew that they could not be discharged?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. And they did then lay down on the job?

Mr. NORMAN. Absolutely.

Mr. McCULLOCH. And this order was by order of—

Mr. NORMAN (interposing). Walter Ericsson.

Mr. McCULLOCH (continuing). Of the superintendent representing the contractor?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Would such a thing have happened, in your judgment, if that contract was being performed on a lump-sum basis?

Mr. NORMAN. Never.



Mr. McCULLOCH. Did you ever have Mr. Warner or Mr. Larson give you any orders about driving the men or hurrying them along?

Mr. NORMAN. No.

Mr. McCULLOCH. It was Ericsson himself that told you this?

Mr. NORMAN. Yes; I had orders several times not to be too hard on the men.

Mr. McCULLOCH. Who gave you that order?

Mr. NORMAN. Mr. Warner and Mr. Larson, and the Ericssons.

Mr. McCULLOCH. Mr. Warner was the assistant superintendent, wasn't he?

Mr. NORMAN. I think that was the office he held.

Mr. McCULLOCH. Who was Larson?

Mr. NORMAN. He was the head superintendent, they called him.

Mr. McCULLOCH. And they told you not to rush the men any; is that it?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Can you give us the language; what they said to you?

Mr. NORMAN. He said, "Don't rush them too hard; we are pretty short of men; keep all the men you have."

Mr. McCULLOCH. What do you say about the plumbers?

Mr. NORMAN. Well, I seen two plumbers working putting a thread on a pipe that should be done in a couple of minutes, and I guess it took them two hours; they were getting paid for it.

Mr. McCULLOCH. That was an instance you observed?

Mr. NORMAN. Yes; and I have seen the plumbers doing their own digging in the latrines and other work that should have been done by laborers.

Mr. McCULLOCH. Can you give the committee any other instances of waste resulting either from the handling of material or the methods of handling, or the idleness of men; the methods of handling the labor?

Mr. NORMAN. I don't recall any others just now.

Mr. McCULLOCH. Do you know the wage scale for the plumber and the wage scale for the laborer?

Mr. NORMAN. The laborers, 45 cents an hour, and the plumbers, I think, 90 cents an hour at that time.

Mr. McCULLOCH. And you have seen plumbers working doing laborers' work?

Mr. NORMAN. Yes; cleaning out the ditches and so on.

Mr. McKENZIE. How many years' experience have you had as a concrete worker?

Mr. NORMAN. About seven years.

Mr. McKENZIE. Did you ever take any contracts?

Mr. NORMAN. A few of them; yes, sir.

Mr. McKENZIE. Do you know of any reason why a contract could not have been made for the construction of the roads in Camp Grant at so much per rod or square yard?

Mr. NORMAN. I do not.

Mr. McKENZIE. As a practical concrete man, would you feel that you would have been able to figure on a contract of that kind at that time and taken it at so much per unit?

Mr. NORMAN. Yes, sir.

Mr. McKENZIE. And is it your judgment that the Government could have saved a great deal of money by letting it on that sort of a contract?

Mr. NORMAN. Yes, sir; absolutely.

Mr. McKENZIE. Was there any shortage of teams at Camp Grant, so far as you observed?

Mr. NORMAN. No, sir.

Mr. McKENZIE. They had plenty of teams?

Mr. NORMAN. Plenty of them.

Mr. McKENZIE. And it was not necessary to have the concrete and cement hauled up there in advance and piled there?

Mr. NORMAN. No, sir; not if managed right.

Mr. McKENZIE. It could have been brought daily?

Mr. NORMAN. Yes, sir.

Mr. McKENZIE. And hauling it out in that way was reckless in piling it up there in piles, in your judgment?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Do you know of laborers being discharged as laborers and hired back as carpenters?

Mr. NORMAN. Carpenters and roofers.

Mr. McCULLOCH. They were hired as carpenters and roofers and receiving this scale of wages as carpenters and roofers?

Mr. NORMAN. Yes, sir.

Mr. McCULLOCH. Tell us what you observed about that?

Mr. NORMAN. I had several men working for me and couldn't use them; they wouldn't work, and I discharged them, and they walked around to this man and hired as carpenters or roofers.

Mr. McCULLOCH. Why couldn't you use them?

Mr. NORMAN. They were absolutely no good.

Mr. McCULLOCH. They were no good as laborers and drawing under you pay as laborers.

Mr. NORMAN. Forty-five cents an hour.

Mr. McCULLOCH. And hired out on the same job at a rate of wages paid to a carpenter and roofer?

Mr. NORMAN. Yes, sir; when they were making about \$3.80 a day, and then they were knocking out about \$56 a week as carpenters or roofers.

Mr. McCULLOCH. You found they were no good as laborers and yet they got a job on the same work as carpenters and roofers?

Mr. NORMAN. Yes, sir. Another thing comes to my mind is in loading wagons; this happened four or five days in succession. I happened to have seven men loading wagons off the road they were building around there; I don't remember just what road it was, running from the main office there, I think, north, and I had 12 teams and seven laborers loading the teams.

Mr. McCULLOCH. What do you say about that?

Mr. NORMAN. I had a very short haul and had about probably eight or nine teams waiting there most of the time.

Mr. McCULLOCH. In that case they did not keep the teams moving at all.

Mr. NORMAN. Not in that case; no.

Mr. McCULLOCH. So that there was a waste there in having too many teams.

Mr. NORMAN. The teams coming up and waiting there.

Mr. McCULLOCH. And the teams were getting what?  
Mr. NORMAN. The teams were getting about \$1 an hour, I think.  
Mr. McCULLOCH. And the laborer was getting what?  
Mr. NORMAN. Forty-five cents.  
Mr. McCULLOCH. How many teams were idle?  
Mr. NORMAN. Eight or nine; it was a very short haul.  
Mr. McCULLOCH. In other words, three teams, you think, with the number of men that were there——  
Mr. NORMAN (interposing). Say five teams.  
Mr. McCULLOCH (continuing). Would have done what 12 did?  
Mr. NORMAN. Would have taken care of it nicely.  
Mr. McCULLOCH. How long did that continue?  
Mr. NORMAN. Five days. We had no picks on the job there. Take a square shovel and take as much as you could and throw it on the wagon.  
Mr. McCULLOCH. Seven teams at a \$1 an hour would be \$70 a day loss.  
Mr. NORMAN. Yes; five or six days.  
Mr. McCULLOCH. These men that were loading the wagons were working under you?  
Mr. NORMAN. Yes, sir.  
Mr. McCULLOCH. And did you speak to the superintendent?  
Mr. NORMAN. Absolutely; I asked for a team and plows and asked for picks and I couldn't get anything I wanted.  
Mr. McCULLOCH. But you called attention to the fact that you did not have enough men to keep those teams going?  
Mr. NORMAN. Yes, sir.  
Mr. McCULLOCH. What did they say to you about it?  
Mr. NORMAN. "Do the best you can."  
Mr. McCULLOCH. They didn't take the teams off, however?  
Mr. NORMAN. No, sir.  
Mr. McCULLOCH. Nor give you the men?  
Mr. NORMAN. No, sir.  
Mr. McCULLOCH. That is all.  
Mr. McKENZIE. That is all.

#### TESTIMONY OF MR. SIDNEY CAIN, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)  
Mr. McCULLOCH. What is your name?  
Mr. CAIN. Sidney Cain.  
Mr. McCULLOCH. Where do you live?  
Mr. CAIN. Fourteen hundred and twelve Twenty-third Avenue.  
Mr. McCULLOCH. Rockford, Ill.?  
Mr. CAIN. Yes, sir.  
Mr. McCULLOCH. What is your business?  
Mr. CAIN. Carpenter.  
Mr. McCULLOCH. Have you been a contractor at any time?  
Mr. CAIN. Yes, sir.  
Mr. McCULLOCH. Carpenter and carpenter contractor?  
Mr. CAIN. Yes, sir.  
Mr. McCULLOCH. Have you done contract work that involves the completion of a building?  
Mr. CAIN. Yes, sir.

Mr. McCULLOCH. So that you have been a general contractor?

Mr. CAIN. General contractor; yes, sir.

Mr. McCULLOCH. General contractor, in addition to a carpenter contractor.

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Are you a union man?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Connected with the local union.

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. CAIN. Recording secretary.

Mr. McCULLOCH. Of what union?

Mr. CAIN. Of Local 792.

Mr. McCULLOCH. Carpenters' union?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. When did you begin?

Mr. CAIN. The 8th of August, 1917.

Mr. McCULLOCH. In what capacity.

Mr. CAIN. Journeyman carpenter.

Mr. McCULLOCH. How long did you work as a journeyman carpenter on the job?

Mr. CAIN. Until November 8th of the same year.

Mr. McCULLOCH. Did you at any time work as a foreman on that job?

Mr. CAIN. Not at that time?

Mr. McCULLOCH. Did you later?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Tell us about that.

Mr. CAIN. Under the Ross P. Beckstrom Co. and under Henry Ericsson, both.

Mr. McCULLOCH. Were they subcontractors or general contractors?

Mr. CAIN. Both general contractors.

Mr. McCULLOCH. You worked as foreman under those two?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Carpenter foreman?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee what you observed, if anything, as to the waste of materials on the work at Camp Grant. First, while you were working as a journeyman carpenter.

Mr. CAIN. Well, of course, there was considerable waste, but I never attributed it so much to anybody's fault. I figured it more it was due to the work as it was done and the poor material they had to work with. Of course, there was waste to quite an extent; certainly is bound to be on work of that magnitude, you understand.

Mr. McCULLOCH. You are talking about lumber?

Mr. CAIN. Yes, sir; lumber.

Mr. McCULLOCH. That is, the waste of lumber? You say it was due to the character of the lumber; what kind of lumber was it?

Mr. CAIN. All hemlock, No. 2 grade.

Mr. McCULLOCH. Was it, in your opinion, good lumber?

Mr. CAIN. I understand it was about all they could get in quantity at that time.

Mr. McCULLOCH. Was it poor grade?

Mr. CAIN. Yes; very poor grade.

Mr. McCULLOCH. Of course, you do not know what they could get?

Mr. CAIN. No; only our understanding.

Mr. McCULLOCH. You know it was not good?

Mr. CAIN. No, sir.

Mr. McCULLOCH. Not the right kind of work for that kind?

Mr. CAIN. No, sir.

Mr. McCULLOCH. And it resulted in waste?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. How did it result in waste?

Mr. CAIN. You take this, a 20-foot board and you could only get four or five feet out of it.

Mr. McCULLOCH. How long a board would that be?

Mr. CAIN. 1 x 6, 16, dressed and matched stuff.

Mr. McCULLOCH. Was it a great or small waste?

Mr. CAIN. It was great, because they had to throw that sort of board aside.

Mr. McCULLOCH. Who furnished the lumber?

Mr. CAIN. I couldn't say. Wisconsin hemlock, I believe, most of it.

Mr. McCULLOCH. Now, going to the element that you say entered into the loss, the manner in which the work was done; what do you mean by that?

Mr. CAIN. Well, of course, they had 8,000 men out there and probably a thousand of them were carpenters.

Mr. McCULLOCH. You say they had about 8,000 of them? Let us get that comparison fully.

Mr. CAIN. I presume out of the 8,000 about half of them were rated as carpenters.

Mr. McCULLOCH. That would be 4,000 carpenters?

Mr. CAIN. Yes; approximately.

Mr. McCULLOCH. How many of them, while rated as carpenters actually were carpenters?

Mr. CAIN. Not over half of them at the outside.

Mr. McCULLOCH. So that there were 4,000 men, roughly, rated as carpenters and drawing carpenters' pay and 2,000 of them were not carpenters at all.

Mr. CAIN. No, sir.

Mr. McCULLOCH. What were they?

Mr. CAIN. Grocery clerks, and machinists, and farmers, and tailors.

Mr. McCULLOCH. What were they, grocery clerks, and what?

Mr. CAIN. Machinists, and farmers, and tailors; about every one you could think of; and a good many laborers.

Mr. McCULLOCH. What was the labor scale?

Mr. CAIN. Thirty-five cents, I believe, at that time.

Mr. McCULLOCH. What was the carpenter scale?

Mr. CAIN. Sixty-two and one-half cents.

Mr. McCULLOCH. And you say about half of these men had had no experience as carpenters at all?

Mr. CAIN. None whatever.

Mr. McCULLOCH. I wish you would tell the committee what effect the employment of men without experience as carpenters on a job

and putting them on carpenter work had on the waste of material or the proper handling of materials?

Mr. CAIN. Well, naturally a considerable effect because they did not know how to use material to advantage; because if they wanted a piece two feet long they would go and cut it off a long piece as soon as to hunt up a two-foot piece.

Mr. McCULLOCH. So it resulted in the waste of material.

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. What do you say as to what it resulted in delaying the speed of the work?

Mr. CAIN. Well, in delay because it interfered with the speed of the men that were carpenters.

Mr. McCULLOCH. How? Just tell us about that.

Mr. CAIN. If you are worth 50 cents a day and I am at your side and trying to do good work and you do not do good work I get to slacking my own speed.

Mr. McCULLOCH. You think it destroys the morale on the work?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Is there any other element that enters into it; the efficient men and the inefficient men; even if the efficient man is trying to do a day's work, would that result in delay?

Mr. CAIN. Certainly it would; yes, sir.

Mr. McCULLOCH. Is it your opinion that a contractor on the lump-sum basis, who is seeking to do the work in an efficient manner and in an efficient way and desiring to get it done as quick as possible would have stood for this kind of thing?

Mr. CAIN. You wouldn't think naturally that he would; I wouldn't.

Mr. McCULLOCH. Would you?

Mr. CAIN. No, sir.

Mr. McCULLOCH. Were there any men to your knowledge on that job rated as carpenters' helpers?

Mr. CAIN. No, sir; at no time.

Mr. McCULLOCH. They were all rated as carpenters on the regular scale.

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Of course, you are now speaking of those who were in the carpenters' gangs.

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Can you give us any specific instances in where there was any waste or inefficiency shown? I direct your attention to the hurry-up order for 10 barns; can you tell us about that?

Mr. CAIN. Well, they got an order there, one Monday morning, to build 10 barns; they must be built that week so that the civilian labor at the camp could vacate the barracks for the soldiers, and they took 600 men down there and built 10 barns 29 by 100 feet.

Mr. McCULLOCH. How long did it take?

Mr. CAIN. It took six days.

Mr. McCULLOCH. How many men did you say were on there?

Mr. CAIN. 600.

Mr. McCULLOCH. How many men could you have taken as an experienced carpenter, in your judgment, and built those barns, and how long would it have taken? Give us a comparison.

Mr. CAIN. Well, I presume 200 men would have built them in the same time.

Mr. McCULLOCH. That is your judgment from your experience?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. And they had 600 men there?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. So there were 400 too many men on that job?

Mr. CAIN. Well, of course, you had to crawl over them all the time to get a board to use, and that delayed your own speed somewhat.

Mr. McCULLOCH. Can you give us any other instance where there were too many men? I direct your attention to the small barracks when there were from 20 to 40 men on the job.

Mr. CAIN. I presume on those buildings there were too many men, on the small building—25 to 40 on the building.

Mr. McCULLOCH. How many do you say could have worked efficiently?

Mr. CAIN. Ten efficient men could have done as much work as the men they had on there.

Mr. McCULLOCH. And yet they were all on as carpenters, drawing the full scale of wages?

Mr. CAIN. Yes, sir.

Mr. McCULLOCH. Give the committee now, from your experience, if you will, your opinion as to the percentage of waste and loss due to having too many men on the job, and the methods that were used in handling them. Was it a half?

Mr. CAIN. No; I wouldn't think it was that. Still the loss was very heavy.

Mr. McCULLOCH. Just give us your opinion in a general way.

Mr. CAIN. As to the carpenter labor it is; I believe that one-half of the men—that is, of efficient carpenters on the job—if they had chased the others off they would have completed the buildings in the same length of time that the whole gang did.

Mr. McCULLOCH. Because of having these inefficient men on there in great numbers, what do you say as to the effect in regard to delaying the work rather than speeding it up; was it delayed?

Mr. CAIN. Oh, yes.

Mr. McCULLOCH. How much?

Mr. CAIN. Oh, that would be hard to estimate, because some of the gangs that did not have very many of those men on and they were not delayed much; some gangs had only a few efficient men on and got hardly anything done.

Mr. McCULLOCH. Do you think the delay was rather great or not?

Mr. CAIN. It was rather great; yes, sir.

Mr. McKENZIE. How long have you lived in Rockford?

Mr. CAIN. My first time in Rockford was the 8th of August, when I came down to work on the camp.

Mr. McKENZIE. What was the union scale of wages for carpenters hired at the commencement of the construction of Camp Grant?

Mr. CAIN. Well, as to that, I couldn't say for sure whether they had a raise that spring or not; our wage scale always takes effect on the 1st of June, and whether they had a raise that 1st of June I can't state.

Mr. McKENZIE. What were you receiving at that time?

Mr. CAIN. After the 1st of June we were receiving 62½ cents an hour.

Mr. McKENZIE. Was that raised at the camp? Did they pay more at the camp?

Mr. CAIN. No; the camp started after the 1st of June, you see—some time, I believe, the 25th of June—and they started to pay the Rockford scale out there.

Mr. McKENZIE. Was that afterwards raised?

Mr. CAIN. It was afterwards raised to 70 cents in 1918.

Mr. McKENZIE. Now, a union carpenter, if I understand anything about the union rules—of course, not being a carpenter, I don't belong to the union—but it is my understanding that it is one of your rules that a man to be rated as a union carpenter is supposed to be able to perform a certain amount of work in a day—put on so many shingles and so many feet of siding, and so on. Am I correct in that?

Mr. CAIN. Yes, sir.

Mr. McKENZIE. And on that you base your pay, your wage; that is, each carpenter should do so much work?

Mr. CAIN. Yes, sir.

Mr. McKENZIE. And that the man must do that?

Mr. CAIN. Yes, sir.

Mr. McKENZIE. Now, how were those men hired on this camp to go into the gang?

Mr. CAIN. You mean what method they pursued?

Mr. McKENZIE. Yes. Suppose you and I should go to the camp, you an experienced man and I not a carpenter at all, how would I get on the carpenter roll?

Mr. CAIN. You would walk to the window where it said "Carpenters," and be sent out the same as I would.

Mr. McKENZIE. And assigned to a carpenter gang?

Mr. CAIN. Yes, sir.

Mr. McKENZIE. Two men together, the one a carpenter and the other, perhaps, a grocery clerk.

Mr. CAIN. Yes, sir.

Mr. McKENZIE. And they pay him the union scale of wages?

Mr. CAIN. Yes, sir.

Mr. McKENZIE. What did the union men have to say about that?

Mr. CAIN. They didn't like it very well, but had nothing to say.

Mr. McKENZIE. Did they join the union or try to make them join the union?

Mr. CAIN. No; we tried to get the union shop out there. I think Camp Custer was built that way; that they had that system. If we had had that system, we would have had nothing but experienced carpenters, but we could not get it there.

Mr. McKENZIE. Do you believe from your experience and knowledge at that time that there could have been procured a sufficient number of carpenters to have done this work?

Mr. CAIN. Yes, sir; I believe they would have gotten the union men, the same as they did anyhow, and kept the other fellows out, or put them in other work, work that belonged to them, and helped in that way.

Mr. McKENZIE. You have testified in answer to Mr. McCulloch that skilled men could have done the work in the same length of time, eliminating these unskilled men absolutely.



Mr. CAIN. Yes; I believe they could.

Mr. McKENZIE. There were two injustices in hiring these men and paying them carpenter's wages: First, an injustice to the carpenters, or union men?

Mr. CAIN. Yes, sir; it was.

Mr. McKENZIE. And, second, an imposition on the Government to pay a man carpenter's wages when he did not know anything about the carpenter business?

Mr. CAIN. Yes, sir.

Mr. McKENZIE. Was there ever any attempt to regulate, to have carpenters and carpenters' helpers?

Mr. CAIN. No; we never heard of any effort along that line.

Mr. McKENZIE. Do you know of any practice in the building line where men without any experience in any line or trade are paid the same as a man who has his trade?

Mr. CAIN. No, sir; not on any contract.

Mr. McKENZIE. That is not required in any union, so far as you know?

Mr. CAIN. No, sir.

Mr. McKENZIE. And in that way the Government lost a great deal of money; there is no doubt of that, in my mind; all a man had to do was to go to a window and say, "I am a carpenter," and walk in.

Mr. CAIN. Yes; up until November, or about October, he did not even have to show his tool box; about that time they would say, "Where is your box?" and they would say, "In there." You might not have any tools in it. But along about October they began to examine the tools; a checker went through and looked into the tool boxes.

Mr. McKENZIE. That was after the big cantonment; I am speaking about during the Bates & Rogers contract.

Mr. CAIN. This was during Bates & Rogers's time.

Mr. McKENZIE. Near the close?

Mr. CAIN. Yes, sir.

Mr. McKENZIE. Did you ever hear any of the foremen of the contractor protest against that system?

Mr. CAIN. Oh, yes, sir.

Mr. McKENZIE. Did you take it up with Bates & Rogers, the Rockford union, and protest against that system?

Mr. CAIN. No; at that time I had no office in the union. We had our business agent out there several times trying to do something that way, but never came to any agreement.

Mr. McKENZIE. In your judgment, as a carpenter contractor, that work out there cost the Government at least twice as much as it should have cost; that is, the carpenter end of it?

Mr. CAIN. The carpenter labor; yes, sir.

#### TESTIMONY OF MR. ASAPH MALMSTROM, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your name?

Mr. MALMSTROM. Asaph Malmstrom.

Mr. McCULLOCH. Where do you live?

Mr. MALMSTROM. 1027 Kishwaukee Street. Rockford, Ill.

Mr. McCULLOCH. What is your business?

Mr. MALMSTROM. I am general foreman.

Mr. McCULLOCH. What?

Mr. MALMSTROM. General construction foreman.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. MALMSTROM. Yes, sir.

Mr. McCULLOCH. Did you observe while you were working on the job of cases where laborers were hired as carpenters?

Mr. MALMSTROM. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee about that.

Mr. MALMSTROM. Well, there was laborers working around where I was at on different buildings that heard of other laborers and heard of other men coming in there being hired as carpenters and they got kind of jealous, I suppose, and says: "We can do the same thing," and they quit the job as laborers and went in as carpenters; went and bought an old saw and chisel and hammer and went in as carpenters and were taken to work.

Mr. McCULLOCH. You know that they were taken on?

Mr. MALMSTROM. Yes, sir.

Mr. McCULLOCH. Do you know the names of any of the men that did that? Can you name them?

Mr. MALMSTROM. No; I can't specify the names. I had seventy-five or a hundred men working for me, and if any men like that came along I generally gave them a discharge.

Mr. McCULLOCH. Were there men of this type came to you?

Mr. MALMSTROM. Yes, sir.

Mr. McCULLOCH. And you got rid of them?

Mr. MALMSTROM. Yes, sir; I really never hired them, because I gave a glance at them and sent the men to somebody else.

Mr. McCULLOCH. Do you know that the other fellow hired them?

Mr. MALMSTROM. They must have been hired somewhere.

Mr. McCULLOCH. Did you see them on the work?

Mr. MALMSTROM. Yes, sir; I saw some men I had fired at different jobs afterwards.

Mr. McCULLOCH. So that you do know of your own knowledge that laborers on those jobs were hired as carpenters and paid carpenter's wages?

Mr. MALMSTROM. Yes, sir.

Mr. McCULLOCH. After they had been fired, or after they had left their work as laborers?

Mr. MALMSTROM. There was men that hired out as carpenters came to me and I fired them because they were incapable of doing the work and I gave them a discharge slip and they went over and hired out again to different units and I seen them there when we went over to do some extra work to help out on some other buildings.

Mr. McCULLOCH. Can you tell us about when that was?

Mr. MALMSTROM. Oh, that must have been somewhere around, I think, in September of 1917; something like that, I should judge.

Mr. McCULLOCH. That was under Bates and Rogers's contract?

Mr. MALMSTROM. Under Bates and Rogers; yes, sir. With Mr. Brower's unit; he was superintendent in that unit. We went over there to do some work; we had finished up where we were and they sent us over there.

Mr. McCULLOCH. Now, while you were on that job working, you had an opportunity of observing the kind of lumber?

Mr. MALMSTROM. Yes, sir.

Mr. McCULLOCH. Tell the committee about that; what kind of lumber it was, and give some idea of the grade.

Mr. MALMSTROM. I couldn't hardly grade that lumber at all at the start. I was surprised to see it come on there for buildings like that, that were supposed to be permanent. It was very poor—about the poorest I ever used. The drop siding was hemlock and the very poorest to put on the outside of a building, and the roof and flooring was also very poor; had to be cut out in spots in order that you wouldn't break your leg when you were walking over it; but it got to be better toward the last. I suppose they run out of the poor stuff.

Mr. McCULLOCH. They furnished you all the poor stuff they had?

Mr. MALMSTROM. That is the way I sized it up at the time; but we received some better grades later on.

Mr. McCULLOCH. But during some of the time you had to handle lumber of that poor grade?

Mr. MALMSTROM. Of that poor grade.

Mr. McCULLOCH. Well, from your experience as a contractor will you tell the committee what the effect of the use of that kind of lumber was, first upon the construction of the building, the kind of building you constructed?

Mr. MALMSTROM. Well, the effect would be it would make a very poor building out of it. If it hadn't been cut out as much as it was it would have made a worse building, but the buildings were put up the best they could with the material they received.

Mr. McCULLOCH. That kind of material must necessarily result in poor construction, no matter how you try to cull it out?

Mr. MALMSTROM. It doubled the length of time.

Mr. McCULLOCH. Now, what would you say as to the effect of the use of that kind of material on the efficiency of the construction company constructing the same; does it take longer?

Mr. MALMSTROM. It takes longer. The more you have got of that kind of lumber the more time it takes.

Mr. McCULLOCH. Did you observe any waste or loss as a result of the handling of teams on that job?

Mr. MALMSTROM. Well, there was some came to my notice, but as a general rule the unit I was in (I was in Mr. Ames's unit at the time), they had a hard time keeping up with us, with material; most always busy trying to get lumber some way or other to keep it going. Later on, when I was with Ericsson, I noticed that they weren't doing anything else but following me up and making my job troublesome. If I had any material laid out on the job they would follow me up and pick it up, and I would have to look all over to find out where it was gone. That seemed to be all they had to do was to keep picking up and dropping down again.

Mr. McCULLOCH. "Keep moving around." Did you ever hear that expression used by anybody in authority there?

Mr. MALMSTROM. No; I never heard that expression used.

Mr. McCULLOCH. What would you say as to the number of superintendents and floor men that were employed on that job? Were there too many of them?

Mr. MALMSTROM. Well, at the time when Bates and Rogers was there I don't think they had too many superintendents, because they

had large units. Mr. Beckstrom was there and Mr. Ericsson, also. There was quite a number of superintendents, and some of the superintendents didn't have perhaps more than one foreman, and I know one foreman who had 20 men, and that man was a very capable superintendent. They seemed to have an abundance of superintendents at that time.

Mr. McCULLOCH. So much so that in one instance they had one superintendent who was over one foreman?

Mr. MALMSTROM. Yes.

Mr. McCULLOCH. And that foreman had 20 men under him?

Mr. MALMSTROM. Yes, sir.

#### TESTIMONY OF MR. TH. L. LEON DE TISSANDIER, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Just state your full name to the stenographer.

Mr. TISSANDIER. Th. L. Leon De Tissandier.

Mr. McCULLOCH. Where do you live?

Mr. TISSANDIER. I live in Rockford.

Mr. McCULLOCH. How long have you lived here?

Mr. TISSANDIER. Between 18 and 19 years.

Mr. McCULLOCH. Are you an American citizen?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. You are a Frenchman by birth, are you?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And what has been your business?

Mr. TISSANDIER. Well, I am a civil and mechanical and structural engineer.

Mr. McCULLOCH. Where were you educated?

Mr. TISSANDIER. Well, got my first education in France, then we moved to Germany and I went to the schools in Germany; I went to Heidelberg and studied mathematics, and finally I graduated from engineering and polytechnics at Charlottenberg, that is a suburb of Berlin.

Mr. McCULLOCH. When did you come to America?

Mr. TISSANDIER. I came to America in 1896.

Mr. McCULLOCH. Did you have any experience with engineering projects abroad?

Mr. TISSANDIER. Oh, yes.

Mr. McCULLOCH. Just in a brief way tell us about that.

Mr. TISSANDIER. Well, I worked for the Hungarian Government for quite a number of years as civil engineer. I had a good deal to do with river regulations, etc.; I also worked in a mechanical line for the Hungarian Government in a locomotive works and then I joined a private company that did a lot of preliminary surveying in Bulgaria and Roumania and south Russia and in building tunnels and bridges, etc.

Mr. McCULLOCH. Then, when you came to America, where did you locate?

Mr. TISSANDIER. When I came to America, my first job I got was as a draftsman in the Harvester Co., at Batavia, Ill., in the Johnson Harvester Co.; I started at \$1.75 a day.

Mr. McCULLOCH. Now, will you briefly tell your experience as an engineer in America?

Mr. TISSANDIER. Yes, sir. From there on I was there only a short time; then I went into a big factory as designer in York, Pa. I stayed there about nine months, and then I came to Chicago. In Chicago I joined the Webster Manufacturing Co., and I was with them for three years and a half as designer of machinery, mostly, internal combustion engines, and elevator machinery. I had charge of the drafting room and designing department.

Mr. McCULLOCH. Can you give us your experience as engineer and in construction work from then on?

Mr. TISSANDIER. Well, from then on I came to Rockford.

Mr. McCULLOCH. How long did you live here?

Mr. TISSANDIER. About—between 18 and 19 years.

Mr. McCULLOCH. Now, give your experience here.

Mr. TISSANDIER. Well, my experience here in Rockford—I was mostly in civil engineering, mostly surveying and drainage and such things, but I have also acted as consulting engineer in the structural line. I planned the big plant for the Independent Harvester Co. in Plano, Ill., down here. I made all the designs for it, but the project wasn't carried through because the Government interfered. It was a cooperative concern. Then I have planned quite a number of structures here in concrete and steel, but as a rule I haven't done very much structural work since I have been in America. I didn't have any chance here. It has been mostly surveying and what we call, generally, civil engineering.

Mr. McCULLOCH. Did you work out at Camp Grant?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. How long were you out there?

Mr. TISSANDIER. Well, I have been out there several times. When the camp question came up I was engaged by the chamber of commerce to survey the outlines and the property lines of the camp. Then I laid out the rifle range, and then for a number of months I had nothing to do at the camp. In the meantime, while Bates and Rogers started their construction, I had nothing to do at the camp whatever. Then later on the Government required some more land surveyed. Then, in 1918—that was in 1917—then, in 1918, about in August, Maj. Charles told me that the Government wanted a topographical map made of the enlarged territories that they wanted to put some more buildings on. That had to be done in a very short time. Well, I tried my best; I went out there, and after we had worked for about three weeks then they obtained another map of the same territory which Maj. Charles thought was sufficient for the present. Then, months later, the actual construction of the second part of the camp commenced, and Maj. Charles engaged me to list all the buildings out there, working for the Government direct under Maj. Charles for about six weeks, two months, and afterwards I was turned over and incorporated into the engineering organization of Alvord & Burdick.

Mr. McCULLOCH. What are they?

Mr. TISSANDIER. They are the supervising engineers in charge of sewers and water and all those utilities.

Mr. McCULLOCH. You were taken into their personnel?

Mr. TISSANDIER. I was turned over to them, and from that moment on I was ordered to Alvord & Burdick.

Mr. McCULLOCH. How long did you remain with them?

Mr. TISSANDIER. I was there until after the armistice, when the work stopped altogether.

Mr. McCULLOCH. You have been identified, then, in various capacities?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. With the construction of Camp Grant from the beginning?

Mr. TISSANDIER. Yes.

Mr. McCULLOCH. Having acted for the chamber of commerce in the preliminary survey?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And then on through in various capacities until the signing of the armistice?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. You have had experience in the laying out and planning of utilities?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And by utilities I mean the water supply and the sewers, etc.

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. The roads, sewers, etc.?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. Now, so far as the situation at Camp Grant is concerned, you are familiar with the layout of the land there?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. Having surveyed it?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. So far as Camp Grant goes, was there any engineering or construction reason why the buildings—why they could not have gone ahead with the building before the utilities were laid out, or that they couldn't have laid out the utilities while the buildings were being constructed?

Mr. TISSANDIER. There was no reason why they couldn't have done both at the same time.

Mr. McCULLOCH. Or at different times; is that right? In other words, could they have gone along with the construction of the buildings separately?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And the utilities separately?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. At the same time?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. Give us your reasons now for that statement?

Mr. TISSANDIER. Well, it is generally, in the building of streets, they are made and built up before they ever commence to lay the sewer, in the cities, and this is the general experience all over the world, and there is absolutely no reason why that could not be done at Camp Grant; you take most of the streets are 60 feet wide; the ditches and sewers and water, etc., are dug by trench-digging machines, they don't take so much room. They could get around between the buildings. There is plenty of room between the build-

ings to pile up materials for the construction of the buildings, so that the material would not be in the way of the ditch-digging machines at all; there is absolutely no reason why they couldn't have been built at the same time.

Mr. McCULLOCH. So that a contract could have been let for the building of the buildings?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And shelters, and the contractor could have gone on to the job with plans and proceeded to the construction of the shelters?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And at the same time the utilities could have been planned and have been proceeding to completion?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. Whenever you got ready to do so?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. How long does it take ordinarily to lay out in a camp such as Camp Grant, we will say, the utilities?

Mr. TISSANDIER. That is to make the layout; well, that depends on the nature of the work, but the general layout wouldn't take so very long.

Mr. McCULLOCH. Well, we are talking about the layout ~~as~~ a rush order construction of simple design, such as they had there; how long, do you say, in the light of your experience as an engineer having dealt with situations of this kind, it would take to make the layout?

Mr. TISSANDIER. Well, if I was engineer of that I would put on five or six surveying parties at the same time, then it could be done easily in a month.

Mr. McCULLOCH. That is, everything completed, Mr. Tissandier?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. Does that include buildings and utilities?

Mr. TISSANDIER. No; that is utilities alone. It does not include buildings.

Mr. McCULLOCH. That is, including the utilities alone?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And you could have been working on the layout while the other buildings were being constructed if you had the plans?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. The point I want to make and get your view of is whether there is any engineering or construction reasons why the building of the buildings and the shelters should have been delayed until the planning or construction of the utilities had been completed.

Mr. TISSANDIER. No, sir.

Mr. McCULLOCH. Is that right?

Mr. TISSANDIER. Yes, sir.

Mr. McCULLOCH. And in your experience here and about that camp, being a practical man, what did you observe first as to the waste of materials?

Mr. TISSANDIER. Well, during the period that Bates & Rogers were there, I was very little at the camp so I couldn't speak about it on that.

Mr. McCULLOCH. So you don't know anything about it at that time?

Mr. TISSANDIER. No, sir.

Mr. McCULLOCH. Later on?

Mr. TISSANDIER. It is also very difficult for me to speak in that regard because during the time I was at the camp I was busy in my own line, too busy to make observations of what the other fellow was doing.

Mr. McCULLOCH. Well, if you didn't make them, that ends it; I don't want you to tell about something of which you have no knowledge.

Mr. TISSANDIER. No.

Mr. McCULLOCH. Are there any instances that you can bring to the attention of the committee showing a waste or a loss resulting from the handling of labor?

Mr. TISSANDIER. Well, during the time that I was working in the second construction period of the camp, that is when the other addition was built onto it—

Mr. McCULLOCH. Under what contract?

Mr. TISSANDIER. Under the Ericsson Co. Well, at that time there was a great many laborers that were paid, as far as I understand, about \$4.00 a day, who weren't really worth 50 cents a day. The Ericsson Co. had quite a good organization. They had a very capable general superintendent, Mr. Larson, and he had a good many foremen, but the territory was so large and the laborers so scattered, it was such a large territory that it was a very hard thing to control all those fellows, and the checker came around to see the fellows, then he goes on, and after he goes they just lean down on their fork and let it go at that. These are general observations that I made, but I think that work, where it goes on to such an extent as that, to keep all of those fellows working you would need a foreman to about every six men.

Mr. McCULLOCH. Now, is there any other fact or addition that you can bring to the attention of the committee that might throw some light on the construction of Camp Grant?

Mr. TISSANDIER. Well, I would say that one error made at the beginning which cost a great deal of money—the surface drainage in the first place was neglected right from the beginning. Suppose I had that whole business to handle, I would have been selected by the Government and go ahead and lay out this Camp Grant, and do everything as it properly should be done; the first thing I would have done after I had made the general layout—that is, made a topographical map—would have been to go ahead with the surface drainage. Now, this has been done to some extent, but not sufficiently, because in the fall and winter of 1917 we had a very hard winter. There was a lot of snow on the ground, and when that snow melted this camp was simply an awful swamp, and if surface drainage had been provided for right in the beginning a thing like that could not have happened, and consequently mud and bad roads would not have delayed everything. In this respect I think a great deal has been wasted along that line. That is a thing that has been overlooked from the beginning.

Mr. McCULLOCH. What would you say as to whether or not there was any reason in your judgment why the construction of this camp,



the shelters and buildings, could not have been let under a lump-sum contract?

Mr. TISSANDIER. I think it could have been let to greater advantage under a lump-sum contract.

Mr. McCULLOCH. Why?

Mr. TISSANDIER. So far as I understand the cost-plus system, it isn't a safeguard against any waste. I don't see how a cost-plus system is any guard against waste. The Government pays for all of the labor, for the material, for everything, and gives so much on top of that. Now, whether he has constructed that at double the cost that he should have, doesn't make any difference; he gets his pay anyway. I don't see how it is any safeguard. I do not think in a lump-sum contract, with a prohibition penalty, if it is not completed within a certain time or if the quality is not the same as specified, and with a bonus on the other hand for quicker and better work and for cutting down on costs, I think it would be more efficient than the cost-plus system. That is my opinion.

Mr. McCULLOCH. And you know of no reason why such a contract could not have been undertaken by the Government and carried out, do you?

Mr. TISSANDIER. No; I don't, of any reason; I don't know of any.

Mr. McKENZIE. I would like to ask you one question: Mr. McCulloch has asked you in regard to letting out this contract on a lump-sum basis?

Mr. TISSANDIER. Yes.

Mr. McKENZIE. And, of course, one of the contentions that has been raging in the country ever since these systems were devised by the emergency construction committee and known as the cost-plus contract, whether it was a wise form of contract or not, and whether the Government was properly safeguarded, men have contended that the Government was not safeguarded at all; others claim the opposite; that is one of the things we are investigating. Now, do you believe it would have been possible to let a lump-sum contract for this entire Camp Grant out here, when, as a matter of fact, they didn't know exactly what they wanted? Do you think that would have been possible?

Mr. TISSANDIER. Well, it would possibly not have been possible as long as there are changes possible, but I don't see why a lump-sum contract could not have been made on basis of units.

Mr. McKENZIE. Well, that is on the basis of a unit, you say?

Mr. TISSANDIER. It is not for the whole camp, but for units of labor or for such and such a group of buildings. I don't see why the contractor couldn't have taken a contract that way.

Mr. McKENZIE. Well, as a matter of fact the construction was very simple, was it not?

Mr. TISSANDIER. Very simple.

Mr. McKENZIE. And it was practically identical, that is, in regard to all the buildings, it would have been possible for any contractor with experience to figure out the expense of labor and material, and to have estimated he would build that cantonment for so much a cubic foot construction for shelters?

Mr. TISSANDIER. Yes.

Mr. McKENZIE. And so much for square yard for roads, concrete or macadam?

Mr. McKENZIE. So much per unit of lineal foot for sewers?

Mr. TISSANDIER. Yes, sir.

Mr. TISSANDIER. Yes.

Mr. McKENZIE. He could have made a bid and then it would have been immaterial whether they put up such a plant to take care of a thousand men or 500,000 men. Do you believe it would have been possible to do that?

Mr. TISSANDIER. I think so.

Mr. McKENZIE. Well, if that had bene done, from your experience, what do you think the saving would have been to the Government?

Mr. TISSANDIER. Oh, I think the saving would have been 50 per cent.

Mr. McKENZIE. About 50 per cent?

Mr. TISSANDIER. Yes.

(And thereupon the committee took a recess until 1.15 o'clock p. m.)

#### AFTER RECESS.

Committee reconvened at 1.15 o'clock p. m. pursuant to adjournment.

#### TESTIMONY OF MR. LEO WHITMORE, CHERRY VALLEY, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Leo Whitmore?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Where do you live, Mr. Whitmore?

Mr. WHITMORE. In the village of Cherry Valley.

Mr. McCULLOCH. What is your business?

Mr. WHITMORE. Why, foreman in general—foreman of concrete roads or concrete construction—labor foreman.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. WHITMORE. Starting in as laborer and ending up as labor superintendent.

Mr. McCULLOCH. Under whom—what contractor?

Mr. WHITMORE. Bates & Rogers on the start.

Mr. McCULLOCH. Later?

Mr. WHITMORE. Henry Ericson & Co.

Mr. McCULLOCH. You started in, you say, as a laborer?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. And ended up as a superintendent?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Did you work in any other capacity with Bates & Rogers?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Tell us all about that; what were you doing?

Mr. WHITMORE. As foreman for Bates & Rogers with a concrete machine.

Mr. McCULLOCH. As foreman, how many men did you have under you?

Mr. WHITMORE. Anywhere from 16 to 30.

Mr. McCULLOCH. What would you say as to whether or not you had too many men or too few for the work you were doing?

Mr. WHITMORE. For Bates & Rogers my men were just about right for the amount of work I was doing.

Mr. McCULLOCH. How about the other contractor?

Mr. WHITMORE. Well, I was labor superintendent for them; assistant labor superintendent.

Mr. McCULLOCH. What would you say as to whether or not they had too many men on the job or too few?

Mr. WHITMORE. The men were all put to work as they came on the job in different capacities.

Mr. McCULLOCH. I wish you would tell the committee, just frankly what the situation was, first, under Bates & Rogers with regard to the number of men and then in regard to the other contractor Henry Ericsson & Co.

Mr. WHITMORE. Under Bates & Rogers, what men I had working the men were just about right.

Mr. McCULLOCH. By that you mean right in number or right in qualifications, or right in what?

Mr. WHITMORE. Right in number and good men to work, well fed, and taken care of; men willing to do a good day's work.

Mr. McCULLOCH. They did do a good day's work?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. So far as you observed, there was no loafing on the job with Bates & Rogers?

Mr. WHITMORE. Not in my line.

Mr. McCULLOCH. You never saw that?

Mr. WHITMORE. I never saw that.

Mr. McCULLOCH. How about the other?

Mr. WHITMORE. We were delayed once or twice, but that couldn't have been helped.

Mr. McCULLOCH. You think it was unavoidable?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Under the other contractor what do you say—Henry Ericson & Co.?

Mr. WHITMORE. Mismanagement at the head of it.

Mr. McCULLOCH. Tell us all about it—what you observed, what the mismanagement consisted of, and who it was that was responsible for it that you know, and what the result of it was.

Mr. WHITMORE. Men coming in on the job at 3 o'clock in the afternoon. I never was informed how many was coming and I knew nothing about them until they got there. Anywhere from 50 to 100 came in at 3 o'clock. I never knew how many were coming and I had to get them out to work somewhere and get them in the pay roll and not knowing how many were coming and coming in at 3 o'clock I had no time to get them on the job, so I had to put them at sweeping out the barracks, because they had to be on the pay roll before they could get something to eat.

Mr. McCULLOCH. Was it a case of getting them on the pay roll or getting the work done?

Mr. WHITMORE. It was necessary to get them on the pay roll to insure them of getting their lodgings or their suppers.

Mr. McCULLOCH. I don't understand the situation. You say there was nothing to do; nothing to be done?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. If there was work, you could have put them to work, couldn't you?

Mr. WHITMORE. When they got in there it was so late you couldn't distribute them around.

Mr. McCULLOCH. You say they came in at what time of the day?

Mr. WHITMORE. Between 2 and 3.

Mr. McCULLOCH. You were the foreman and the men were assigned to you?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. How many of them?

Mr. WHITMORE. All of them.

Mr. McCULLOCH. How many of them were there?

Mr. WHITMORE. From 50 to 100.

Mr. McCULLOCH. You would get from 50 to 100 at 3 in the afternoon?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. For what purposes?

Mr. WHITMORE. To be distributed out to the different foremen for different work.

Mr. McCULLOCH. How long did they work that day?

Mr. WHITMORE. That day they were hired and put on the pay roll—they went up in the baggage department and got their baggage and suit cases checked and changed their clothes and at that time it was too late to put them to work, so I put them in the barracks sweeping out the barracks.

Mr. McCULLOCH. How about the next day?

Mr. WHITMORE. The same thing.

Mr. McCULLOCH. Nothing for them to do?

Mr. WHITMORE. I had work for them to do but I would no more than get them on the job than it would be time to quit.

Mr. McCULLOCH. You say that happened every day?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. For how long?

Mr. WHITMORE. From the time I was superintendent until I got done.

Mr. McCULLOCH. How long a time did that cover.

Mr. WHITMORE. Approximately three months.

Mr. McCULLOCH. What months were they?

Mr. WHITMORE. September, October, and November.

Mr. McCULLOCH. 1918?

Mr. WHITMORE. 1919 or '18; yes, sir.

Mr. McCULLOCH. Now, were these men you were referring to men just newly assigned to the job or men that continued along every day?

Mr. WHITMORE. Men that came in.

Mr. McCULLOCH. You were the distributing boss, is that it?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. So these men, when they came in to enter on the work were turned over to you for distribution?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. After they had been assigned to work, the men that came in, you don't know what happened to them, do you?

Mr. WHITMORE. No, sir.

Mr. McCULLOCH. So your complaint goes to the fact that the men were turned over to you each day to be assigned to a late hour in the day?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Could you reasonably expect much out of a man the first day he came on the job?

Mr. WHITMORE. When they came on the job they first checked their baggage and then were put on the pay roll.

Mr. McCULLOCH. You think they were hired out and checked their baggage on the Government's time?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. At whose instructions was that done?

Mr. WHITMORE. Mr. Ericsson, Walter Ericsson.

Mr. McCULLOCH. Did you complain about it?

Mr. WHITMORE. I complained about it to his other superintendent Mr. Larson.

Mr. McCULLOCH. What did he say about it?

Mr. WHITMORE. He said "Go ahead."

Mr. McCULLOCH. Didn't he say anything more about it than "Go ahead."

Mr. WHITMORE. He said you are doing as well as can be done.

Mr. McCULLOCH. Do you remember an occasion when you were sent to put up a water tank; do you remember that circumstance? You went quite a distance from the camp to put up a water tank; do you remember that; and you got there and you found the water had not been connected?

Mr. WHITMORE. That was under Bates & Rogers.

Mr. McCULLOCH. I don't know who it was under—I am reading from the notes of the investigator—tell us about that, if you remember the circumstances?

Mr. WHITMORE. Not about any water tank.

Mr. McCULLOCH. Well, do you remember any instance when you were sent to a point to do some work and you found about 24 or more idle men loafing around there for quite a length of time doing nothing?

Mr. WHITMORE. No, sir.

Mr. McCULLOCH. Now, I wish you would go to the general proposition; we are seeking to get the facts here.

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee what, if anything, you observed under either of these contractors in regard to waste or loss to the Government as a result of idleness of men or the mismanagement in the handling of men?

Mr. WHITMORE. Well, when the men were hired to go to work if they were hired, like to-day, the food that was given them on the start physicked them so they were not fit to work the next day. The food was so rotten the men complained it was not fit for a dog to eat.

Mr. McCULLOCH. Was that food furnished by the contractor?

Mr. WHITMORE. I think it was; it was.

Mr. McCULLOCH. It was charged back to the Government, of course, but it was food prepared and furnished by the contractor under his direction?

Mr. WHITMORE. Yes, sir; these men would constantly, the next day, be going to the toilet, and it got so bad that we had to put in

what we called a "Can boss" in there, to see that the men were not in there loafing.

Mr. McCULLOCH. How do you say that resulted from mismanagement. It might have been the fault of the cook. Did it occur all the time?

Mr. WHITMORE. Yes, sir; constantly.

Mr. McCULLOCH. Was the food of such a quality that it affected the men all of the time they way you said?

Mr. WHITMORE. They way it was put up; yes, I imagine.

Mr. McCULLOCH. Did it affect the men all the time they were there?

Mr. WHITMORE. After a man was there for a week or so, it seems as though he got used to it.

Mr. McCULLOCH. Can you point out anything else to the committee or any other fact that would indicate there was mismanagement in the handling of men or idleness that resulted from such mismanagement?

Mr. WHITMORE. Teams checking in at the camp. A man would come up without a team and check out a team, and would check out again at night with one team. I suggested to the team boss that the men that had teams be on the wagons when they checked out. In one instance a man came up and checked out a team and he didn't have a team there. I happened to know the fellow and I kept an eye on him to see if he got his team, and I knew where he kept his team and I went down to where they were, and they were unharnessed and bedded. He had pay for full day with a team and the team was not there.

Mr. McCULLOCH. You don't know whether the team was on the job or not?

Mr. WHITMORE. No.

Mr. McCULLOCH. He might have taken the team down and come back and checked out?

Mr. WHITMORE. Possibly.

Mr. McCULLOCH. Your criticism goes to the fact that he could have checked out without having had a team on the job at all?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. And that there was something wrong with the system?

Mr. WHITMORE. Every day; yes, sir; it was possible.

Mr. McCULLOCH. Could you tell under what contractor that system prevailed?

Mr. WHITMORE. Henry Ericsson & Co.

Mr. McCULLOCH. Is there any other instance you can call to our attention of waste or loss to the Government in the way of idleness or anything of that kind?

Mr. WHITMORE. Well, one day it started to rain pretty hard a little after 2 o'clock; it was not possible for them to do anything—I went over in the lumberyard and told the men they might as well go in; there would be nothing more to do—it was too wet and I made the remark that the teams had better go in and the superintendent of the lumberyard jumped on his horse and sent the men and the teams in and when I went back over toward the barracks I met Walter Ericsson and he wanted to know what I had been doing, and I told him I had sent the men and teams in and

then he went and sent them back out again and there was no more work done and there was anywhere from 10 to 25 teams there.

Mr. McCULLOCH. He kept them on the job even though he knew nothing more could be done?

Mr. WHITMORE. He was waiting for it to quit raining?

Mr. McCULLOCH. You have been a contractor?

Mr. WHITMORE. No, sir; not a contractor.

Mr. McCULLOCH. You have been on a great deal of contract work?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. What would you say as to whether or not the method of handling labor on that job was efficient; do you think it was inefficient?

Mr. WHITMORE. Inefficient; yes, sir.

Mr. McCULLOCH. Do you think it would have been handled that way if the contract was on a lump-sum basis where the contractor was interested in getting the contract finished quickly.

Mr. WHITMORE. No, sir; it was not.

Mr. McCULLOCH. And interested in getting a day's work out of the men?

Mr. WHITMORE. No.

Mr. McCULLOCH. You don't think it would have been done that way?

Mr. WHITMORE. No, sir; not with a contractor.

Mr. McCULLOCH. So, as a result of the system that was put in there, I wish you would say to the committee whether or not, in your judgment, there was loss or waste to the Government?

Mr. WHITMORE. There was loss to the Government.

Mr. McCULLOCH. Was it small or great, in your opinion?

Mr. WHITMORE. It was great.

Mr. McCULLOCH. Now, as to the waste of material; do you know of any waste of material, and if you do you may tell the committee anything about that?

Mr. WHITMORE. Well, there was; the waste of material wasn't very much. I can't say in regard to that.

Mr. McCULLOCH. You don't know much about that?

Mr. WHITMORE. Well, there was considerable waste of material but the time and cost of labor would more than balance it.

Mr. McCULLOCH. You say the time and price of labor would balance up the waste of material?

Mr. WHITMORE. Yes.

Mr. McCULLOCH. How do you figure that out?

Mr. WHITMORE. Take a carpenter and put him to work on a small piece that was thrown out, to saw out two or three knot holes; the cost of time would be a good deal more than the lumber would be worth.

Mr. McCULLOCH. You are not a carpenter?

Mr. WHITMORE. No, sir.

Mr. McCULLOCH. You didn't work as a carpenter on the job?

Mr. WHITMORE. No, sir.

Mr. McCULLOCH. So it was, in your opinion, a case of either losing the time or the lumber in putting it in shape?

Mr. WHITMORE. Yes, sir; one would offset the other.

Mr. McCULLOCH. Did you work at putting up water tanks?

Mr. WHITMORE. No, sir.

Mr. McCULLOCH. Have you any other facts you would like to bring to the attention of the committee, or that you can bring to the attention of the committee that would bring any light as to how the camp was built?

Mr. WHITMORE. In putting up the hard road they made about an average of 125 to 140 feet a machine; with a capacity of three machines; three machines would—ought to be on an average of from 375 to 425 feet.

Mr. McCULLOCH. How much did they put in?

Mr. WHITMORE. 125, 140, or 180 feet.

Mr. McCULLOCH. How do you account for that?

Mr. WHITMORE. The men working on the cement work, it was hard work; and the men thought if you chased him a little too hard he would quit and would go down to the employment bureau and he would hire over again; he might go on as a carpenter or as a roofer; after they were there a few days they found out they could quit and by going over and telling them that they were such or such, and then they would go on another job.

Mr. McCULLOCH. Whether they were competent for that job or not?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. As a result of that system they would get a lot of incompetent men on roofing or carpenter jobs?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. And they would get men that were qualified as laborers only, and they were put to work where they might draw a good deal more money?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. And they would be doing work for which they were not qualified?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. What would be the result of that, loss to the Government?

Mr. WHITMORE. Certainly.

Mr. McCULLOCH. Would such a system have been put in operation if a contractor would have been interested in seeing the work was done promptly and efficiently?

Mr. WHITMORE. No, sir.

Mr. McCULLOCH. Or for a lump sum?

Mr. WHITMORE. No.

Mr. McCULLOCH. Tell the committee what you mean by saying the men knew they could quit and get another job.

Mr. WHITMORE. If a foreman told the man he had to get busy, the first thing you knew he would be gone, and then he would show up on a roofing job at 70 cents; the next morning you would inquire about a man and you would find out he wasn't there, and he would have gotten work as a carpenter and be on a roofing job; soon as they found out they could do that, then the others found it out.

Mr. McCULLOCH. He was promoted for refusing to do his work as a laborer?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. He got more money and did less work?

Mr. WHITMORE. Yes, sir.



Mr. McCULLOCH. Do you know whether or not the superintendent or representatives of the contractor knew that this condition prevailed; did they know that this was going on?

Mr. WHITMORE. Well, I am quite sure they did.

Mr. McCULLOCH. Tell us why you say that; what do you know about that? Did they have their representatives around there to see what was going on; did you know they were there?

Mr. WHITMORE. When a fellow was hired out as a laborer and with the foreman for a length of time and the foreman was well acquainted with Mr. Larson he would arrange with him to see Mr. Larson, and he would put him on another job.

Mr. McCULLOCH. Do you know of that occurring?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Give us an instance of that.

Mr. WHITMORE. A young fellow who was on the street car went as a laborer there, and was working on the Eleventh Street road and went to the foreman and had him recommend him to Larson, and the fellow's name also was Larson, and Larson met Larson, and went on as a roofer.

Mr. McCULLOCH. Had he had experience as a roofer?

Mr. WHITMORE. I don't think so.

Mr. McCULLOCH. What was Larson's business; the Larson that gave the job, not the Larson that got the job?

Mr. WHITMORE. General superintendent.

Mr. McCULLOCH. Representing what contracting company?

Mr. WHITMORE. Henry Ericsson & Co.

Mr. McCULLOCH. Is there anything else you can bring to the attention of the committee?

Mr. WHITMORE. Laborers, if they wanted to go to work as a carpenter and they had any relations on as a carpenter foreman doing anything like that; in one case another fellow was working on the street car here, his father was a foreman, and he took his son out and he got a permit for the son from the union and gave the union \$3 for the permit, and he got in there and he pulled four more men off the street car and they went out and got jobs there. They went and got a saw and a square and went to work.

Mr. McCULLOCH. Were they able to do carpenter work?

Mr. WHITMORE. They could square off the end of a board or something like that.

Mr. McCULLOCH. Were they experienced carpenters?

Mr. WHITMORE. No, sir; they were not.

Mr. McCULLOCH. They were not?

Mr. WHITMORE. No, sir.

Mr. McCULLOCH. You have said that, in your judgment, such conditions would not have prevailed if the contractor was on a lump sum basis or if the contractor had been interested in pushing the work along efficiently. How do you account for it occurring in the construction work at Camp Grant?

Mr. WHITMORE. They wanted to get all the men on the pay roll and get a percentage; the more they got and the less they done the longer it took to do it.

Mr. McCULLOCH. That was your opinion?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Was that the opinion of the men generally doing the job?

Mr. WHITMORE. By the men generally. In a couple of instances where I was with them, they said Maj. Charles and Henry Ericsson Co. were fed by the same spoon.

Mr. McCULLOCH. Who said that?

Mr. WHITMORE. Several men I heard speaking about it.

Mr. McCULLOCH. Was that common talk about the camp?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. It was?

Mr. WHITMORE. Yes, sir.

Mr. McKENZIE. What do you understand when those men said that? That he was fed out of the United States Treasury?

Mr. WHITMORE. That the one was working for the interest of the other.

Mr. McKENZIE. Now, the major you referred to, what was his name?

Mr. WHITMORE. Maj. Charles.

Mr. McCULLOCH. What was he doing on the job?

Mr. WHITMORE. Construction quartermaster.

Mr. McCULLOCH. Representing the Government?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. The other man you referred to, what was his name?

Mr. WHITMORE. Henry Ericsson.

Mr. McCULLOCH. He was a contractor?

Mr. WHITMORE. Yes, sir.

Mr. McCULLOCH. Which Ericsson did he mean?

Mr. WHITMORE. I had reference to Walter Ericsson.

Mr. McCULLOCH. Who is Walter Ericsson?

Mr. WHITMORE. Son of Henry Ericsson, or one of the company; I don't know which.

Mr. McCULLOCH. Unless you have something else you can bring to our attention, that will be all.

Mr. McKENZIE. I want to ask this young man a few questions: Did you pay your board out there or did you receive so much a day and board?

Mr. WHITMORE. I paid for my board.

Mr. McKENZIE. You paid your board?

Mr. WHITMORE. Yes, sir.

Mr. McKENZIE. And do you know whether the contractor furnished the food or whether that was a concession granted to some one else?

Mr. WHITMORE. I understand that Henry Ericsson Co. were furnishing the food.

Mr. McKENZIE. And the workmen boarded with him and paid for their board?

Mr. WHITMORE. The workmen had a place of their own and the office help had their own place and the office help had a good place.

Mr. McKENZIE. And they all paid for it?

Mr. WHITMORE. Yes, sir.

Mr. McKENZIE. That is all—from your statement I understand that the Government was furnishing the food, and I understood that to be the case.

## TESTIMONY OF MAJ. JAMES J. OVERN, CAMP PERRY.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. Just give your full name to the stenographer.

Maj. OVERN. James J. Overn.

Mr. McKENZIE. You are a major in the Engineers?

Maj. OVERN. Major in the Engineers.

Mr. McKENZIE. How long have you served in the Army, Major?

Maj. OVERN. I went in the Army January 4, 1918.

Mr. McKENZIE. And with what branch are you connected; the Engineers?

Maj. OVERN. Engineers, all that time; I am connected with the construction division now. I was with the Engineers until about February 28, I should judge, of 1918, and then I was turned over—transferred to the construction division about that date.

Mr. McCULLOCH. Did you do construction work at the camp, or supervise it?

Maj. OVERN. I was in charge of construction work at the proving grounds, a short distance from the camp.

Mr. McCULLOCH. You didn't do any supervising at the camp here?

Maj. OVERN. No, sir; this is the first time I have been here.

Mr. McCULLOCH. Major, tell the committee whether or not during the construction work at Camp Perry you employed, or there was authorized to be employed, carpenter helpers.

Maj. OVERN. No; it wasn't specified.

Mr. McCULLOCH. Did you employ carpenter helpers?

Maj. OVERN. Yes; we would take the pick of the laboring men and make the position of carpenter helpers, working with the carpenters.

Mr. McCULLOCH. What wages would the carpenter helpers receive?

Maj. OVERN. About a 5-cent advance over the laboring wage.

Mr. McCULLOCH. Which would be how much?

Maj. OVERN. 50 cents; labor scale was 45 cents an hour.

Mr. McCULLOCH. You advanced the laborers 5 cents an hour?

Maj. OVERN. Yes.

Mr. McCULLOCH. And made them carpenters' helpers?

Maj. OVERN. Yes, sir.

Mr. McCULLOCH. And you classified the laborers with a view to finding out which would make efficient carpenter helpers?

Maj. OVERN. Yes; when we had a particularly good, bright man willing, we would put him in as a carpenter helper and would give him the benefit of the extra pay, and we would get the benefit of his ability.

Mr. McCULLOCH. What did the carpenters themselves receive?

Maj. OVERN. They received 60 cents first, 65 cents later, and later 70 cents.

Mr. McCULLOCH. And the carpenters' helpers received what?

Maj. OVERN. 50 cents.

Mr. McCULLOCH. 50 cents an hour?

Maj. OVERN. 50 cents an hour.

Mr. McCULLOCH. So you received the benefit of the carpenters' helpers' services at from, in some instances——

Maj. OVERN (interrupting). 10, 15, and 20 cents below the carpenters.

Mr. McCULLOCH. Below the carpenters?

Maj. OVERN. Yes.

Mr. McKENZIE. What was the proportion of the carpenters' helpers to the carpenters?

Maj. OVERN. It would vary on how much lumber work was to be done, but just enough to feed them; the material would be scattered around and just enough helpers to feed them. A man that could build up framework and some stuff like that, not the finished work. Well, take one building there where the organization called for about 35 men, there were about 30 helpers around there; now the lumber—the lumber was scattered around.

Mr. McCULLOCH. How many carpenters?

Maj. OVERN. About 35.

Mr. McCULLOCH. Thirty-five carpenters and 30 helpers?

Maj. OVERN. Thirty helpers; they had to carry it in that case a pretty good distance; in normal conditions we would have had less.

Mr. McCULLOCH. How much less?

Maj. OVERN. Probably one-half.

Mr. McCULLOCH. Say 15 helpers to from 30 to 35 carpenters?

Maj. OVERN. Yes.

Mr. McKENZIE. The contract you were supervising was a cost-plus contract.

Maj. OVERN. Yes, sir.

Mr. McKENZIE. Why did you attempt the system you have just described in employing carpenters' helpers. In order to save the Government?

Maj. OVERN. We got more work done for the money. It was an incentive for the men; they were selected, they liked that, and we got the results out of it; they were picked men—better than the common class of laborers.

Mr. McKENZIE. Did you have a smaller loss of waste of material in handling it that way?

Maj. OVERN. The loss and waste of material was taken care of by the general foremen and the superintendents around jumped on the foremen and made them keep the stuff out of the way and not scatter it around: lumber would be left around and that would be picked up and not as much as people would possibly think, and carried to the scrap pile, and that was culled time and time again and reused. You would probably save money in doing that. For instance, we had a sheet around the bottom of the buildings to protect it against the air; it took pieces about 2½ feet long and we just sent wagon after wagon—this was after the last building was done and the wagons came back with load after load with pieces of wood of the length that would do that. That was stuff apparently lost which had been taken to the scrap heap that was brought back and used there again.

Mr. McCULLOCH. After all, Major, isn't it a fact that the form of contract—you are familiar with it?

Maj. OVERN. Yes.

Mr. McCULLOCH. That was used by the Government, after all about the only safeguard in the contract is the element of integrity and honesty of the contractors. Is that not true?

Maj. OVERN. And of the officer over him, because the officer over him was empowered, if he wasn't doing it the way he should, take a hold and do it himself. The officer was a absolutely master of the situation at all times.

Mr. McKENZIE. If it so happened that the officer happened to be somewhat untrained and lacking in experience, the Government would not have protection?

Maj. OVERN. Then it would depend directly on the skill and honesty and integrity of the contractor.

Mr. McKENZIE. Of course, there are two elements. First, the integrity of the contractor; in safeguarding the Government, in checking the men, in keeping check of everything, and we are interested in finding out whether or not those two supposed safeguards are really safeguarded. What is your judgment about that?

Maj. OVERN. The Government; at one time we had a good deal of trouble on the class of men, time checkers and material checkers; not so much material checkers, we had better-experienced men for that. It was difficult, the war drawing away the younger men, about 25 or 27, who were best fitted for that kind of work. To get a good class of boys for time-checking work we got around that by using enlisted men, and we got very satisfactory results out of them.

Mr. McCULLOCH. Major, before we go into this matter about Perry, I would like to ask you if you know Gen. Littell?

Maj. OVERN. No.

Mr. McCULLOCH. You knew his position; what was his position during the war?

Maj. OVERN. When I went in there he was the head of the construction division.

Mr. McCULLOCH. Gen. Littell testified before the Military Affairs Committee of the House of Representatives and furnished the committee the wage schedule which is printed on pages 926 to 935 along there. On page 926 I notice they classify the carpenter labor and give the wages. You see it provides for carpenters giving the various wage scales in the various camps; carpenter foreman and carpenter helpers. I wish you would look at that and tell the committee whether or not that wage schedule contemplated in your judgment the employment of carpenter helpers.

Maj. OVERN. I should say it did.

Mr. McCULLOCH. They have a schedule for carpenter's helpers?

Maj. OVERN. Yes.

Mr. McCULLOCH. I observe at Battle Creek practically the same wage as at Perry. Find that and read it into the record.

Maj. OVERN. Carpenter's scale.

Mr. McCULLOCH. Carpenter's helpers?

Maj. OVERN. At Battle Creek 45 to 50 cents an hour for carpenter's helpers.

Mr. McCULLOCH. Practically the same as at Perry?

Maj. OVERN. Yes.

Mr. McCULLOCH. Look at the record and see what it shows there.

Maj. OVERN. It shows no scale at all there.



Mr. McCULLOCH. Evidently no carpenter's helpers were employed?

Maj. OVERN. Yes.

Mr. McCULLOCH. The employment of carpenter's helpers would have meant a little larger saving, would it not?

Maj. OVERN. Yes; you are getting the benefit of those same men in the line of carpenter work for 10 or 15 to 20 cents below what you would pay them if you were paying them as carpenters.

Mr. McCULLOCH. You are acquainted with the contractors who built Camp Perry?

Maj. OVERN. Yes, sir.

Mr. McCULLOCH. Who were the contractors?

Maj. OVERN. The Cleveland Construction Co., of Cleveland, Ohio. The two main men in the firm were Warren Bignell and C. W. Lundahl.

Mr. McCULLOCH. What connection, if you know, was there between the Crowell, Lundorf & Littell Co. and the Cleveland Construction Co?

Maj. OVERN. They were very closely associated. The work was originally offered, practically given to the Crowell, Lundorf & Littell Co., and there was an objection to the fact that the Assistant Secretary of War Crowell's name being in the firm; that is what I am informed; therefore they declined to give it to them under that proposition. Then Lundorf suggested it be given to the Cleveland Construction Co., of which Mr. Bignell was president, and Mr. Lundorf was president of the Crowell, Lundorf & Littell Co.; Bignell being one of the big owners in the Crowell, Lundorf & Littell Co. as well. I am absolutely morally certain that Mr. Crowell was not in any way connected with the Crowell, Lundorf & Littell Co. or the Cleveland Construction Co. at the time the work was going on, his interest having been bought out by Mr. Bignell.

Mr. McCULLOCH. But he had been connected with both companies?

Maj. OVERN. No; in the past he was only connected with the Crowell, Lundorf & Littell Co.

Mr. McCULLOCH. It is your opinion that Mr. Lundorf severed his connection with the company?

Maj. OVERN. No; Mr. Lundorf didn't sever his connection.

Mr. McCULLOCH. Well, what did you say?

Maj. OVERN. Mr. Crowell.

Mr. McCULLOCH. Mr. Crowell, you say, severed his connection with the Crowell, Lundorf & Littell Co., but Mr. Lundorf remained as president of the Crowell, Lundorf & Littell Co. throughout?

Maj. OVERN. Yes; and he is to-day.

Mr. McCULLOCH. And he was also connected with the Cleveland Construction Co.?

Maj. OVERN. I don't know whether he owns stock, but through association with Mr. Bignell he was. Yes; and was on this work.

Mr. McCULLOCH. And there was accordingly, do you understand, a very close association between these two concerns?

Maj. OVERN. Yes, sir.

Mr. McCULLOCH. My understanding was—maybe you could throw light on the subject—that the Cleveland Construction Co. had been largely a concern that entered into contracts for the construction of transportation lines?

Maj. OVERN. They did.

Mr. McCULLOCH. And it had not been operating actively for some years prior to taking the contract to build Camp Perry?

Maj. OVERN. No, sir; I don't believe they had been doing any large work.

Mr. McCULLOCH. My understanding further was—and if I am wrong, I wish you would correct me—that the Crowell, Lundorf & Littell Co. were to furnish the equipment to the Cleveland Construction Co. for the carrying on of this work; is this correct?

Maj. OVERN. That is right.

Mr. McCULLOCH. And it was my further understanding that Mr. Lundorf would give his personal attention to the construction work as being carried on by the Cleveland Construction Co.

Maj. OVERN. That is right, too; the organization on the work, the Crowell, Lundorf & Littell Co.

Mr. McCULLOCH. What do you mean by the organization?

Maj. OVERN. General foreman, general superintendent, superintendent, and men like that. They took men right out of the organization and built a new organization on our grounds.

Mr. McCULLOCH. So the truth of the situation is that the work was largely conducted by the organization of Crowell, Lundorf & Littell Co.?

Maj. OVERN. Yes.

Mr. McCULLOCH. And with their equipment?

Maj. OVERN. Yes.

Mr. McCULLOCH. Even though it was done under the name of another corporation?

Maj. OVERN. Yes; that is right.

Mr. McCULLOCH. Mr. Crowell, as I understand it, is the Assistant Secretary of War?

Maj. OVERN. Yes, sir.

Mr. McCULLOCH. What is his first name?

Maj. OVERN. Benedict.

Mr. McCULLOCH. You say your information is that Mr. Crowell had severed his connection with the Crowell, Lundorf, Littell Co.?

Maj. OVERN. Yes, sir.

Mr. McCULLOCH. How do you know that?

Maj. OVERN. Well, I know it from hearsay up to a short time ago. Not very long ago a new concern was formed in Cleveland—the Crowell, Littell Co.—which opened up their business in competition with the Crowell, Lundorf, Littell Co., and I would say that would indicate positively that he had severed his connection.

Mr. McCULLOCH. At some time?

Maj. OVERN. Yes, sir.

Mr. McCULLOCH. But he had been president of the Crowell, Lundorf, Littell Co. at one time?

Maj. OVERN. I couldn't say. I rather presume he was president. I couldn't say whether he was president or not.

Mr. McCULLOCH. Now, Mr. Crowell, or Mr. Lundorf, was at one time—at one time a member of the Emergency Construction Committee?

Maj. OVERN. Yes.

Mr. McCULLOCH. The cost-plus contract under which the cantonments were built, including Camp Grant, and as I understand it, Perry also, was constructed under the direction of the Emergency

(Construction Committee of the Council of National Defense. Is that correct?

Maj. OVERN. Yes, sir.

Mr. McCULLOCH. And Mr. Lundorf was a member of that committee?

Maj. OVERN. That is correct.

Mr. McCULLOCH. And that is the same Mr. Lundorf who afterwards had charge of the construction work at Camp Perry, under contract that was let to the Cleveland Construction Co. Is that correct?

Maj. OVERN. That is correct.

Mr. McCULLOCH. Were you on the job while this work was being done at Camp Perry?

Maj. OVERN. I have been on the job all the time from the start until the present time.

Mr. McCULLOCH. You are not assigned there now?

Maj. OVERN. I am just finishing up now.

Mr. McCULLOCH. You came here under subpoena?

Maj. OVERN. I am here under orders from the Adjutant General's Office.

Mr. McCULLOCH. Major, from your experience and observation as an officer in the construction department, I wish you would tell the committee how much work, in your opinion, a trench-digging machine should accomplish in one day, dealing with a double nought or 3½ to 4 foot ditch?

Maj. OVERN. I would like now—wait a minute; my experience, my trenching experience, is almost entirely confined to what was done on the proving grounds; we used it there a good deal; I haven't in my mind, right at my fingers' end, the capacity of those machines; but we were never able with a single nought machine to keep the laying of the pipe with the speed of the machine; our digging was very easy; then again, we couldn't speed the machine up because the material was of such poor nature that we couldn't let the ditch open; the machine could only advance a comparative short distance ahead of the laying of the pipe; so you would continually find the machine standing idle until the pipe could catch up with it; we didn't have a fair test of the speed of the machine.

Mr. McCULLOCH. I would like to get your best judgment or opinion as to the capacity of the machine. How much could they do?

Maj. OVERN. How deep did you say that trench was; about a 4 foot 18 inch trench, 4 feet wide; no trouble at all doing 1,000 feet a day on easy digging.

Mr. McCULLOCH. I think that is all I want to ask you.

#### TESTIMONY OF MAJ. ALBERT KALB, SAN FRANCISCO, CALIF.

(Witness duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Albert Kalb?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. You are in the Quartermaster Corps?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. Of the United States Army.

Maj. KALB. Yes, sir.

Mr. McCULLOCH. Are you in the Regular Establishment?



Maj. KALB. No, sir; temporary commission.

Mr. McCULLOCH. Where is your home?

Maj. KALB. San Francisco.

Mr. McCULLOCH. Where are you now assigned to duty?

Maj. KALB. I am commanding officer Auxiliary Remount Depot at Camp Grant.

Mr. McCULLOCH. How long have you been there?

Maj. KALB. I was at Camp Grant twice; I was there from the beginning, first from August 28, 1917; I left there September 8, 1918, and I returned again May 11, 1919, and I have been there since.

Mr. McCULLOCH. You first came in August, 1917, did you not?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. What did you do when you first came; what was your assignment?

Maj. KALB. Auxiliary remount, then under construction.

Mr. McCULLOCH. Remount—you mean where they keep the horses there?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. You had charge of the horses.

Maj. KALB. Yes, sir.

Mr. McCULLOCH. What progress had been made in the camp at that time?

Maj. KALB. Tre you referring to the camp proper?

Mr. McCULLOCH. The construction of the camp proper.

Maj. KALB. I would say about one-third completed when I landed.

Mr. McCULLOCH. What, if anything, did you observe in regard to the work being done at the camp?

Maj. KALB. I had a project of my own to which I was assigned. I was to see about the construction of the remount depot and that is removed very near about a mile and a quarter from the camp proper, therefore my activities were confined to my own establishment and I saw very little of the main camp.

Mr. McCULLOCH. Going directly to the part of the camp which was under your observation, will you tell the committee what you saw; what occurred in the way of construction; what trouble you had, if any; giving the committee such information as would throw light on the method of construction and the speed with which it was done; state it generally and then we will go into specific instances.

Maj. KALB. This particular establishment was just beginning to be constructed. There were perhaps completed three or more buildings, stables, when I arrived.

Mr. McCULLOCH. How many were they going to complete?

Maj. KALB. The plans called for 8 hospital stables and 4 team stables and the rest in corrals; I believe 16 corrals.

Mr. McCULLOCH. They had gone how far when you got there?

Maj. KALB. Sir?

Mr. McCULLOCH. They had gone how far with the buildings when you got there?

Maj. KALB. None of the buildings were completed when I got there; they were under construction.

Mr. McCULLOCH. Were there wagon sheds and corrals?

Maj. KALB. Sheds for shelter in each corral.

Mr. McCULLOCH. Now, tell the committee what you observed of that particular part of the camp and your difficulties, if any, with the progress of the work, and so on.

Maj. KALB. The work progressed apparently satisfactorily, because it was all flimsy construction; the corrals or what was to be done, the fences were put up and the sheds were of flimsy construction, easily and rapidly constructed; the only thing I observed that was a drawback was a little plumbing; it was necessary to introduce water in some of the buildings; we had to introduce water there and, with the exception of the plumbing, the work went along all right.

Mr. McCULLOCH. Tell us about the plumbing.

Maj. KALB. The plumbing was rather slow, I thought; it seemed to me they were rather slow; the workmen were rather slow.

Mr. McCULLOCH. What did they seem to be doing?

Maj. KALB. They seemed to be working all right, only it didn't progress as fast as I could want them to.

Mr. McCULLOCH. Did you complain about it?

Maj. KALB. I think I did complain to the foreman once or twice.

Mr. McCULLOCH. What did you say to him?

Maj. KALB. I told him to speed up; I was getting animals in and wanted the water.

Mr. McCULLOCH. Who was the foreman you spoke to?

Maj. KALB. Mr. Brau, the man who was in charge of the unit. He had charge of it.

Mr. McCULLOCH. B-r-a-u; what did he say to you?

Maj. KALB. He said he would do the best he could for me.

Mr. McCULLOCH. Was he the head of the plumbers?

Maj. KALB. I think he was the unit foreman.

Mr. McCULLOCH. You made complaint to him that you weren't getting the water in and the plumbing wasn't going on satisfactorily, and he said he would do the best he could for you?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. What was the result of that complaint?

Maj. KALB. I couldn't say if there was any improvement or any more lagging; it just went along about so far.

Mr. McCULLOCH. What would you say about the laborers on the job—were they doing a day's work, or did they idle?

Maj. KALB. As far as the carpenters and common laborers were concerned, I believe I would consider it a fairly good day's work.

Mr. McCULLOCH. Yet you did make complaint to Mr. Brau about that?

Maj. KALB. Only about the plumbing.

Mr. McCULLOCH. Didn't he tell you if he pushed them they would quit and let down on the job entirely?

Maj. KALB. Yes, sir; he certainly told me that.

Mr. McCULLOCH. Did he refer to the plumbers?

Maj. KALB. Mostly to the plumbers. I got there September 12 and at the end of September I had 3,000 animals, and it was essential to get water there.

Mr. McCULLOCH. You were also interested in getting your officers' quarters fixed up and having a sink put in?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. You were interested in that and helped checking up their time: tell the committee the result of your checking their time.

Maj. KALB. The installation of the cooking range took a long time to get that in; I figured the labor amounted to \$105 according to

their wage scale. I was interested in getting the range installed; I had seven officers and there was no place for us to eat, and I was insistent in getting the range in.

Mr. McCULLOCH. You wanted a cook stove put in?

Maj. KALB. Yes.

Mr. McCULLOCH. A range?

Maj. KALB. Yes; and running water.

Mr. McCULLOCH. You wanted a sink and running water?

Maj. KALB. Yes.

Mr. McCULLOCH. You kept after it and it was going too slowly for you?

Maj. KALB. It was absolutely necessary to have it in.

Mr. McCULLOCH. And you checked up the time?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. And it cost the Government \$105 to get the sink installed in labor alone, on the scale they were working on, and having the sink installed?

Maj. KALB. Yes, sir; and having water introduced.

Mr. McCULLOCH. Connected?

Maj. KALB. Yes, sir; and on the outside a grease trap to carry off the waste.

Mr. McCULLOCH. What do you say as to whether or not that was speedy work or slow?

Maj. KALB. I would consider it slow, as I said before.

Mr. McCULLOCH. If you hadn't considered it slow, you would not have taken the trouble to check it up?

Maj. KALB. I think not.

Mr. McCULLOCH. It was very simple construction, was it not?

Maj. KALB. The plainest kind of work. Well, it probably was; it didn't seem to be very difficult to install it, whether it was lack of material; anyhow, it seemed slow on this particular job, because we were so much interested and we had to have it for us to exist.

Mr. McCULLOCH. Did you have any conversation with any workmen in the corrals about the amount of work they could do in a day—the plumbers?

Maj. KALB. I believe I spoke to a plumber at one time.

Mr. McCULLOCH. Tell us about it.

Maj. KALB. I believe I asked him how much salary he was getting and he stated he got \$9 a day, and he informed me he was worth \$15.

Mr. McCULLOCH. What do you think he was worth?

Maj. KALB. I don't think he was worth any more than \$9.

Mr. McCULLOCH. You have expressed an opinion that you thought he was worth \$1 or \$2. Is that your serious opinion of it?

Maj. KALB. This particular man; yes, sir; that was my opinion, yes, sir.

Mr. McCULLOCH. Now, the conversation I had in mind in my first question was the one in which the workman told you how much the union told him to do in one day.

Maj. KALB. I believe he told me they were allowed to cut so many threads in a day; I am not a plumber.

Mr. McCULLOCH. And if it turned out that he did that work in one hour or two hours, then what was he supposed to do the rest of the day?

Maj. KALB. I don't think he would cut any more of them than the law allowed.

Mr. McCULLOCH. He loafed the rest of the time?

Maj. KALB. Yes, sir.

Mr. McCULLOCH. What would you say whether or not the plans were practical on the work you saw done there on the corrals?

Maj. KALB. Well, as a whole, I believe they were practical, except one little instance; outside of that I think the plans were constructed exactly according to the plans.

Mr. McCULLOCH. There were instances where you regarded that the plans were not practical?

Maj. KALB. One instance, in regard to a loading and unloading platform; I had this corrected; I went to Maj. Sawyer and he had it corrected forthwith.

Mr. McCULLOCH. Major, if you had had the carpenters working under your supervision and you had been able to select your men, and it had been your intention to do the work in a prompt and efficient manner, how much quicker could you have done it than it was done on that job?

Maj. KALB. Well, this is a question that is hard to answer.

Mr. McCULLOCH. Your opinion only.

Maj. KALB. My opinion, if it was under military management, and you could have hired people who were working under military control, we could have accomplished much more; even though I was allowed to go out and hire help myself with the laborers they were able to get, I don't believe I could have done it any faster; I am employing 125 laborers now, and under slightest provocation, if you force them, they simply turn in their time and walk off; in order to keep the establishment running you have to put up with inferior laborers.

Mr. McCULLOCH. Major, I ask you that question because of the opinion you expressed some days ago in which you said in regard to the carpenters "If we could have controlled them and have had them under the supervision of the officers, we could have done the same work with half the men?"

Maj. KALB. I am sure I could. I maintain, as I say now.

Mr. McCULLOCH. That is if you could have gotten out of them the amount of work they ought to have done you could have done it with half the men and done it quicker?

Maj. KALB. I still adhere to the same principles.

Mr. McCULLOCH. Major, are there any other facts or situations that you might bring to the attention of the committee that would throw some light upon the situation down there?

Maj. KALB. I can only make one statement of what I saw while I was there. When I first went to the camp everything I saw was farms, it was just a farming land. Onto this land numerous teams were driven, and when it didn't rain for some days the dust was so thick that oftentimes we couldn't see, and when it did rain the mud was so deep and so thick that it was practically impossible to travel around and down at my place, the remount station, the same thing prevailed there, and when they put up a city such as that, with a capacity of about 40,000 to 50,000 men, there was neither a road nor a sewer nor a walk nor a thing in it, and in this place they put up buildings of sufficient capacity to accommodate 40,000 to 50,000

soldiers. When I landed there there was only one single track from the standpoint of getting this material in there. I saw immense boilers and small things, everything stored together, for the simple reason there was no place to store them, and I can realize now better than before what a tremendous job it was, and, notwithstanding that, I think it was remarkable how quickly after all, and how expeditiously it was done. When I look at the thing from a liberal standpoint I realize how rapidly it was really done. There was on about one-third of the buildings there when I went there and they had to build roads and everything that would assist them and it was a tremendous handicap.

Mr. McCULLOCH. Yet you expressed the opinion that if you had been in a position to supervise the work, as it related to the carpenter picking your men and going about as military men do, you would have accomplished it in half the time?

Maj. KALB. Perhaps it could be. I think a great deal in the saving of time could have been accomplished.

Mr. McKENZIE. A good deal in the saving of money as well as time?

Maj. KALB. Well, I suppose it could have been, of course, if the labor had cost less.

Mr. McCULLOCH. I think, Major, that is all we desire to ask you (Testimony of Col. Hilden Olin.)  
(Sworn by Mr. McKenzie.)

Mr. McCULLOCH. Will you give your name, please, to the stenographer?

Col. OLIN. Hilden Olin.

Mr. McCULLOCH. Colonel, are you a part of the Regular Military Establishment of this country?

Col. OLIN. I am.

Mr. McCULLOCH. How long have you been in the Army?

Col. OLIN. Twenty-one years.

Mr. McCULLOCH. And you are now assigned where?

Col. OLIN. I am a camp executive officer at Camp Grant.

Mr. McCULLOCH. How long have you been there?

Col. OLIN. Since September 4, 1918.

Mr. McCULLOCH. Have you ever had anything to do with constructing, in the Quartermaster's Department?

Col. OLIN. Yes; I did, at Columbus Barracks, from 1912 to 1917.

Mr. McCULLOCH. Since the war you have not been connected with the Constructing Quartermaster's Department?

Col. OLIN. No, sir.

Mr. McCULLOCH. I suppose, then, that it was no part of your duties at any time to direct or to construct camps or have anything to do with the supervision or construction of them?

Col. OLIN. None whatever.

Mr. McCULLOCH. Were you at Camp Lee at any time during the construction of the camp?

Col. OLIN. I arrived at Camp Lee September 21, 1917, and remained there until August 30, 1918.

Mr. McCULLOCH. Then where did you go?

Col. OLIN. Camp Grant.

Mr. McCULLOCH. And you have been at Camp Grant ever since?

Col. OLIN. Yes, sir.



Mr. McCULLOCH. Can you give the committee any instances, Colonel, or any information that might throw some light on the method of construction, that is, how either the construction work at Camp Lee or Camp Grant was carried on?

Col. OLIN. The first thing that attracted my attention after I moved into one of the officers' quarters was the number of steam-fitters that were there, day after day, taking up the radiators and the steam pipes, just the ordinary officers' set. To the best of my recollection there were five or six, possibly more, steam fitters engaged in fitting up that one small building, for the best part of a month.

Mr. McCULLOCH. Where was that located?

Col. OLIN. At Camp Lee.

Mr. McCULLOCH. At Camp Lee?

Col. OLIN. Yes, sir. Gentlemen, what was the first thing across the divide there, about Thirty-sixth Street, across a little street there, I should say about Thirty-fifth or Thirty-sixth Street? Well, I finally said to the man who apparently was in charge: "Is the work all done?" "Yes," he said, "we are all through here now." I said: "Thank God, I think we will be a little comfortable now." About a week later a man came over and wanted the keys to my so-called suite (I had two little rooms), and I went over to see what was wanted. The man and his assistant said they wanted to take some measurements. I said all right and they took some more measurements and the foreman said: "Well, we will have to take the thing out again." I said: "No. Are you going to take this out again?" He said: "Yes; they certainly made a h—— of a job out of this," and so they took it down and I gave up keeping tab on the workmen.

Mr. McCULLOCH. Colonel, your position indicates and you appeal to me as a man of experience. What would you say as to what was the cause of this; how could such a thing occur?

Col. OLIN. Inexperienced foremen and most inexperienced mechanics. I couldn't call them mechanics, men of absolutely no experience in that line of work.

Mr. McCULLOCH. Yet they were being paid and on the job at steam fitters' wages?

Col. OLIN. Oh, yes, indeed. I don't suppose a steam fitter five years ago ever dreamed of such wages as they were drawing.

Mr. McCULLOCH. Colonel, was it entirely a lack of experience or was it in addition to that, an unwillingness to work?

Col. OLIN. Well, I think they had a hard and fast rule there that only so much work could be done per day and if a man was too ambitious he was tipped off to beat it or cease his activities. The most wasteful proposition that I saw in the area in which I was stationed during the construction period was the numerous details that seemed to be necessary in putting the border around the heaters. Every squad room had a heater, a rather large size and they put two by fours, or four by fours, around this border and then filled them with sand——

Mr. McCULLOCH. They called them sand boxes?

Col. OLIN. Well, that is what they intended to put in originally, but the committee of two or three men, or possibly five men, would come in and look at the situation and it would take them about

st.

Col. OLIN. I think he said in his indorsement that he had never seen such inefficient, such worthless workmen in his whole life, or words to that effect.

Mr. MCKENZIE. That was at Camp Lee, was it, Colonel?

Col. OLIN. Yes, sir.

Mr. McCULLOCH. Since you have been at Camp Grant have you done any construction work, supervised any of the construction work?

Col. OLIN. Absolutely not.

Mr. McCULLOCH. Were you in position to observe the work that was done on that camp at any time?

Col. OLIN. At this camp?

Mr. McCULLOCH. Yes.

Col. OLIN. Yes, sir.

Mr. McCULLOCH. Will you tell us something about that?

Col. OLIN. I used to go with Col. Hagedorn, who died here some time ago, almost every day to the east area, and I can say that the work done here by the mechanics was so far superior to that which I saw at Lee that you couldn't speak of them in the same breath. Of course, that has nothing to do with the old camp. This was a new area. This construction didn't start until the latter part of September, last year.

Mr. McCULLOCH. Did you observe the work that was done under Bates & Rodgers?

Col. OLIN. The name of the contractor was either Nelson or Nuson, or a Swedish name of some sort; it wasn't that name at all.

Mr. McCULLOCH. Well, it was in the construction of the original cantonment?

Col. OLIN. Oh, no.

Mr. McCULLOCH. You were not here when that was going on, and, of course, don't know anything about it, of your own personal knowledge?

Col. OLIN. No, sir. I might add, for the information of the committee, that in my investigation of that board I found that there had been employed during the construction at Camp Lee between eighty-five and ninety thousand men. That is the sum total.

Mr. McCULLOCH. That is, that men to that amount had been on that job at different times?

Col. OLIN. At different times; yes, sir.

Mr. MCKENZIE. Colonel, I want to ask you just one or two questions. There has been some criticism made of the investigation of war expenditures. Some people have said, "Why, what's the use? It is water that has gone over the dam; might as well forget it." It was a great achievement; we got the work done which we set out to do, and which is a credit to the American people. It was in the way a wonderful achievement, but unless this investigation will develop something that will be a benefit to the American people hereafter—and, of course, our Government is going to continue to exist—then the investigation has been a failure. There are several things to be taken into consideration in this investigation, and one thing in particular is the form of contract that was adopted by our Government under which the construction of these various cantonments should be carried on, and which is known to everybody as the cost-plus contract. I want to ask you as a man of experience what effect, in your



judgment, did that system of contract have upon the morale of labor in this country?

Col. OLIN. I think in the most willful waste this country has ever seen.

Mr. McKENZIE. Now, Colonel, just following that thought out isn't one of the most dangerous elements contained in that contract the effect that it has upon the laboring man to lead him to loaf on the job, to reason that it is immaterial whether he works or not, that his contractor will get his pay, and the more the cost the more his boss gets out of it; therefore, why should the laborer care; why shouldn't he have his wages raised? Isn't that one of the effects of that kind of contract?

Col. OLIN. Yes, sir.

Mr. McKENZIE. I want to ask you as a practical military man, in your judgment, is that maximum fee any safeguard to the Government against increased expenditures?

Col. OLIN. No, sir; absolutely not.

Mr. McKENZIE. If you want to give your reason why, Colonel, we would be glad to hear you?

Col. OLIN. I have my own ideas about those matters but they are simply personal.

Mr. McKENZIE. If you would like to put your reasons in the record why you think that is true, we would be glad to have you do so.

Col. OLIN. Why I think these so-called contractors made quite little commission on their cash payments, which were enough to keep them going for many and many a day. The contractor didn't need any funds. He would go to the quartermaster and draw a hundred thousand dollars to-day and \$200,000 to-morrow, and go in and buy two or three or four train loads of lumber, bill it to the Government at so much, and then he would get his little rebate on whatever it might be for cash.

Mr. McCULLOCH. There was also the item of equipment?

Col. OLIN. Certainly, the Government furnished everything in the way of equipment.

Mr. McKENZIE. Well, it was the understanding, however, was it not, Colonel, that all of these bills for material had to be approved before they were paid, but in some instances was not followed?

Col. OLIN. Yes.

Mr. McKENZIE. What the procedure was at Camp Grant we have not as yet developed and do not know.

Col. OLIN. Well, the only thing I know is that the contractor would incur an expense of a hundred thousand or two hundred thousand a day, maybe not Sundays and holidays, but he drew his money as he needed it.

Mr. McKENZIE. In those instances, Colonel, did the contractor draw the money in advance of the expenditure or had he incurred the expense and did he then draw the money?

Col. OLIN. Oh, that would be merely a presumption on my part. I presume he had incurred the expenditure but many of the vouchers had not been O. K'd. He kept drawing his hundred thousand or two hundred thousand dollars a day as he needed it.

Mr. McKENZIE. He would take the bills of lading out of lumber for instance, and the invoices?

Col. OLIN. Many times the property was not checked at all. A trainload would come in and they would go down and break open a car and haul it out from both sides before the checkers would get to it.

Mr. McCULLOCH. The result of which kind of work would be that the Government would have to take the bill of lading as sent by the shipper whether they got all the material contained in it or not?

Col. OLIN. Yes, sir. I might further state that I was on a board to investigate these bills, etc., and so on, so I believe I know a little bit about those things that went on at Lee. It might not have been so elsewhere.

Mr. McCULLOCH. Your testimony, as I understand it, is largely applicable to Lee?

Col. OLIN. Absolutely pertains to Lee—Camp Lee.

Mr. McKENZIE. While you are on that subject, Colonel—we might not have an opportunity at Washington—I would like to ask you a question, whether you know or not how the corporation or company was organized down there to take over that contract?

Col. OLIN. No; I do not. That was not a part of our function, to go into that part of it. We merely went into the part pertaining to the property received by the Government.

Mr. McCULLOCH. In that connection, did your committee make a report?

Col. OLIN. It did.

Mr. McCULLOCH. To whom was the report made?

Col. OLIN. It went to Gen. Cronkhite and then to the War Department.

Mr. McCULLOCH. Who was the ranking officer on that committee?

Col. OLIN. Well, now, I don't even remember. I was on so many boards there, I couldn't tell you that now. I think the general's aid was the junior member of the board—Capt. Dobie—I think it was. I have forgotten now who the other member of the board was.

Mr. McCULLOCH. Can you give the committee just from your memory, now, what your findings were?

Col. OLIN. Well, as I remember, we went over all the vouchers and interviewed and examined all the men whom we could find who had been there in the early days—men who were in the office and men who were in our list in the quartermaster's office, but who were in camp—and we, as I recollect, backed up the quartermaster on expense due to the conditions which I have detailed here previously, such as waiting for the material to come in; that as soon as the train would arrive they would run down and break open these cars and take the stuff out before the checkers could get to them.

Mr. McCULLOCH. So that you felt, in view of those circumstances, the quartermaster was not responsible?

Col. OLIN. Absolutely not.

Mr. McCULLOCH. And that the responsibility, if it could be placed at all, should be placed on the contractor for that kind of conduct?

Col. OLIN. Yes, sir.

Mr. McCULLOCH. Is that correct?

Col. OLIN. Exactly. Their plea was that it was much better for the Government to have the material and not have 2,000 men or more lying idle; it was more expensive to have the men lying idle than it was to wait for the checkers to come there and check up this material.

Mr. McCULLOCH. If that had been done on another system and work properly planned, that matter would have perhaps been looked out for?

Col. OLIN. Well, the contractors had a great many things to contend with. In the first place, the railroads were more or less hampered with the troop movements and deliveries were not as certain as they were previous to the war. We had many things to contend with.

Mr. McCULLOCH. If the contractor had been responsible and meant a loss to him he would probably have seen to it that it was checked up?

Col. OLIN. Yes, sir.

Mr. McCULLOCH. Isn't that the principle to the whole thing?

Col. OLIN. Yes, sir.

Mr. McCULLOCH. That they didn't feel that responsibility and therefore didn't attend to it; is that correct?

Col. OLIN. Yes, sir.

#### TESTIMONY OF COL. CHARLES C. BURT.

(Col. Burt was duly sworn as a witness by Mr. McKenzie.)

Mr. McCULLOCH. Have you given your full name to the stenographer?

Col. BURT. Charles C. Burt.

Mr. McCULLOCH. Are you a member of the Regular Military Establishment of the United States?

Col. BURT. Yes, sir.

Mr. McCULLOCH. How long have you been in the Army?

Col. BURT. Nearly 21 years.

Mr. McCULLOCH. And you are now assigned where?

Col. BURT. As division quartermaster, Sixth Division, Camp Grant.

Mr. McCULLOCH. How long have you been assigned there?

Col. BURT. This time I have been there since the 19th of October but while with the Eighty-sixth Division I was there from the 25th of August, 1917, to the 13th of July, 1918.

Mr. McCULLOCH. You were there during a good part of the construction period, were you not?

Col. BURT. Well, about one-third of it. About half or two-thirds was completed when I arrived there the 25th of August. I mean, of camp on this side of the railroad, not that part of the camp beyond. There was nothing there when we left.

Mr. McCULLOCH. What contractor was operating when you came?

Col. BURT. Bates & Rodgers.

Mr. McCULLOCH. You were there in what capacity?

Col. BURT. Division quartermaster, Eighty-sixth Division.

Mr. McCULLOCH. You did not have anything to do with the construction?

Col. BURT. No, sir.

Mr. McCULLOCH. You were not in the Construction Quartermaster Corps?

Col. BURT. My interest in the construction was under a commanding general; I was obliged to locate in certain prescribed areas the incoming drafted men and to keep in behind the contractor and find

out when he would have certain portions of the camp completed, so that these men could be placed when they arrived.

Mr. McCULLOCH. Very important, too. Now, Colonel, would you tell the committee just in your own way what you observed as to the methods that were followed there in constructing the camp, whether there was waste resulting either from the handling of material or from the handling of men?

Col. BURR. I traveled about the camp a great deal, and my principal observation was the slowness, indifference, and inefficiency of labor together with the lack of overseeing. Maj. Sawyer, who was in charge of the thing, I believe, tried to spread his men over too large an area, and had the men been good workmen, then it probably would have gone all right; but as it was, I believe that he should have had more inspectors on the job to keep in closer touch with workmen.

Mr. McCULLOCH. Your observation was that there was idleness?

Col. BURR. Yes, sir.

Mr. McCULLOCH. And inefficiency and lack of interest?

Col. BURR. Yes, sir.

Mr. McCULLOCH. And you account for it because of inadequate supervision: is that correct?

Col. BURR. In part: yes, sir.

Mr. McCULLOCH. Will you give us now more in detail your views? You have mentioned them in part.

Col. BURR. Well, I have noticed out there there would be a gang of two men working on one building and half a dozen in another place and a dozen in another and a few scattered around here; we will say 15 or 20 under one so-called timekeeper or supervisor. He would come in and say, "How do you do, boys? How are you getting along?" And they would stop and talk it over, and then he would go on and talk to the next man, and they wouldn't work any more while the supervisor was there than when he wasn't there, and vice versa.

Mr. McCULLOCH. Your chief aim was to get these men housed?

Col. BURR. Yes: my business was to get the men of the division housed?

Mr. McCULLOCH. And you were, of course, interested in getting the work done, so that you could get your men in camp and in training?

Col. BURR. Yes. One observation I made one day in regard to one carpenter: he worked two full days in putting on a door and a casing with a thin partition.

Mr. McCULLOCH. Now, the direct supervision of the men and the control of the organization was not under the Quartermaster's control?

Col. BURR. No.

Mr. McCULLOCH. It was under the contractor?

Col. BURR. Yes; and anything which they considered as intrusion on the part of the officers was resented by the workmen.

Mr. McCULLOCH. How is that?

Col. BURR. Any so-called intrusion or interference on the part of the Army officers in connection with the construction was resented

by the workmen; they were working for Bates & Rogers and didn't want to have anything to do with anybody else.

Mr. McCULLOCH. Was that true of the foremen?

Col. BURT. True of everybody.

Mr. McCULLOCH. Was it true of the superintendents?

Col. BURT. It was so far as I came in contact with any of them.

Mr. McCULLOCH. You found that they resented interference on the part of Army officers?

Col. BURT. Yes, sir.

Mr. McCULLOCH. I suppose that was true with respect to any interference or suggestions on the part of the Quartermaster Corps?

Col. BURT. Yes, sir.

Mr. McCULLOCH. So that the responsibility for proper supervision—and by proper supervision I mean the directing of the men as to what should be done in a systematic way—was under the control of the contractor?

Col. BURT. Yes, sir.

Mr. McCULLOCH. And you say there was not sufficient supervision?

Col. BURT. I think not, sir.

Mr. McCULLOCH. I wish you would, then, state again the result of that lack of supervision as you saw it?

Col. BURT. It was just this: No man did a day's work; that is the only way you can describe it; he would go out there and put in his eight hours' work and do as little as possible.

Mr. McCULLOCH. And the final result of all that was that the camp and the construction at the camp was delayed?

Col. BURT. Yes, sir.

Mr. McCULLOCH. It couldn't have been otherwise, could it?

Col. BURT. No.

Mr. McCULLOCH. In addition to the idleness of the men, what else did you observe in the way of waste of material; what did you observe in the way of waste of material, if anything?

Col. BURT. I can't say that I observed any glaring waste of materials.

Mr. McCULLOCH. You were more concerned about getting the work done in a hurry?

Col. BURT. Yes, sir. I was more concerned in getting the quarters completed and getting the men housed in them than I was with how it was done.

Mr. McCULLOCH. Do you remember an instance when there was a man in your office looking out of the window in which you had some observation made by the man working there? Do you recollect about that?

Col. BURT. Yes, sir; that was my own observation.

Mr. McCULLOCH. Would you mind telling us about that?

Col. BURT. There was a low place around the building which they wanted to drain, and to do so they dug a big sump about 6 feet square and put 2 by 12's down in this big sump, and then were shoveling the dirt back from the outside of the sump; there were two men working there—laborers—filling in this dirt, and the dirt had to be moved, I imagine, about 10 feet, and I never saw such an exposition of camouflage work as that was in my life; each man would very dramatically stoop over and come up with about half a shovelful

of dirt, then very laboriously and very slowly (in fact, I don't see how he worked there as slow as he did) take this half shovelful of dirt, walk over, and throw this dirt in, then stand on his shovel and look around, and when he got through with that he would trek back to the other end. I know I could have shoveled in an hour more than they shoveled in a day.

Mr. McCULLOCH. Was this situation in regard to the labor—the idleness of the men on the job—common talk among the men and throughout the camp?

Col. BURT. Yes, sir; I was pretty well acquainted with Maj. Sawyer, and he was very much worried about it, and very sincere in his worryment, apparently, about the poor grade of labor he got, and how they worked and how they didn't work.

Mr. McCULLOCH. Of course, the labor was furnished by the contractor?

Col. BURT. The labor was furnished by the contractor; yes, sir.

Mr. McCULLOCH. This was all in 1917, was it not?

Col. BURT. 1917 and 1918; yes, sir.

Mr. McCULLOCH. The latter part of 1917 and the early part of 1918?

Col. BURT. Yes, sir.

Mr. McCULLOCH. Do you remember about the plumber who reported at noon that he had finished his job, and was fired?

Col. BURT. Finished what?

Mr. McCULLOCH. About the plumber who reported at noon he had finished his job, and who was told that the work he had finished in half a day was a two days' job and was fired?

Col. BURT. That occurred in the case of an electrician. A young man who was a student of electricity in an electrical works.

Mr. McCULLOCH. Tell about that case?

Col. BURT. He was put on some slight job, as I remember, in the same building in which I lived in, the division headquarters. I saw the young man working there, and, of course, paid no attention to what he was doing, and the next I heard of it was from Maj. Sawyer himself. He referred to the matter. I remember having seen the young fellow working there, and I identified his as the same man. He told me, then, when he went back and reported to his foreman or boss that his job was then completed he fired him right there. He said, "You d—— fool, that was a two days' job."

Mr. McCULLOCH. Do you remember what year that was, about?

Col. BURT. That was in 1918.

Mr. McCULLOCH. That was under what contract?

Col. BURT. Why, Bates & Rogers were there all the time I was there.

Mr. McCULLOCH. Do you know whether that was work done by Bates & Rogers or not?

Col. BURT. I am sure it was. Yes, sir; they were the only contractors I knew while I was there. What is the name of that—

Mr. McCULLOCH. Ericsson?

Col. BURT. No; that Irish name. Lennihan; he seemed to be a No. 1 man.

Mr. McCULLOCH. Was he the superintendent?

Col. BURT. Well, I understand he was a member of the firm.



Mr. McCULLOCH. But this occurred while he was on the job? that right?

Col. BURT. As I remember; yes, sir.

Mr. McCULLOCH. Colonel, from your experience in handling men had been put on that job as quartermaster to construct that camp and get it completed, what is your opinion as to how quickly could have been done in comparison with the time it took to do it?

Col. BURT. Well, there are a great many things to be considered there. Building that camp or the expense at that time was one of the biggest things that ever occurred in the Army.

There was no Army organization fit to jump in and start the job; they didn't have the equipment, and I don't believe the contractors had any idea of what a tremendous task it would be; but had the Army had equal facilities as the contractors, I think I could have completed that task in half the time with military men.

Mr. McCULLOCH. So that if it took the contractors twice as long there must have been some cause for that?

Col. BURT. Yes, sir.

Mr. McCULLOCH. And what do you think that cause was?

Col. BURT. Labor.

Mr. McCULLOCH. And the method of handling the labor?

Col. BURT. Yes, sir.

Mr. McCULLOCH. Do you think the form of contract which placed on the contractor practically no responsibility in connection with carrying out the contract had anything to do with it?

Col. BURT. Very likely it did, because the more time you took the more you made, up to a certain limit.

Mr. McCULLOCH. Isn't it true if a firm had a contract under a lump sum basis, where this inefficiency, this idleness, and this failure to supervise labor, all of which you have told about, was going on that they would see to it that it was remedied and that it didn't continue?

Col. BURT. They certainly would, if they had any sense.

Mr. McCULLOCH. So that the things you have referred to would flow naturally all along?

Col. BURT. Yes, sir.

Mr. McCULLOCH. From the contract?

Col. BURT. Yes, sir; if I had received orders from the military authorities to proceed with that work and they would furnish the necessary personnel and apparatus I am positive it could have been done sooner because myself and my assistants would have been on the job all the time.

Mr. McCULLOCH. In what time do you think it could have been done?

Col. BURT. In half the time.

Mr. McCULLOCH. In half the time?

Col. BURT. Yes, sir; with the contractor the way they worked out there, if a man loafed they would fire him and get a worse one in his place or he would have some pressure and get back, and they wouldn't fire him again.

Mr. McCULLOCH. My attention has been called to the fact that Bates & Rodgers's contract expired or that they left the job some time in the latter part of 1917, and that Beckstrom then went onto the job and then later Ericsson. Now, the first difficulty at the time to which

you referred in this particular instance, would you say, was in 1918—

Col. BURT. That was in 1917.

Mr. McCULLOCH. Are you sure that the superintendent was Bates & Rodgers's superintendent or some of their firm?

Col. BURT. No; if I said 1918 I was mistaken. I meant that in my observation of the labor and the loafing, and things of that sort, it was between the 1st—we will say the 1st of September and the middle of November.

Mr. McCULLOCH. Of what year?

Col. BURT. Of 1917. That is just approximately.

Mr. McKENZIE. That particular instance you relate in regard to some electrician?

Col. BURT. Yes, sir.

Mr. McKENZIE. And you stated that that was in 1918?

Col. BURT. No; I meant in 1917. It should have been stated that it was in 1917. They were working desperately at that time to get buildings in which to house the men and to get steam heat and electrical apparatus in, to keep them warm.

Mr. McCULLOCH. In face of the emergency and the necessity that compelled you as an administrative officer there to take care of these men, how do you regard such an attitude on the part of the workmen and on the part of the contractors and their agents?

Col. BURT. Bolsheviks.

Mr. McCULLOCH. How?

Col. BURT. Bolsheviks.

#### TESTIMONY OF MR. E. L. BENSON, RESIDING AT BELVIDERE, ILL.

(Witness sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is E. L. Benson; is that right?

Mr. BENSON. Yes, sir.

Mr. McCULLOCH. Where do you live, Mr. Benson?

Mr. BENSON. Belvidere, Ill.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. BENSON. Yes, sir; and Camp Custer, both.

Mr. McCULLOCH. When did you work on Camp Grant?

Mr. BENSON. A year ago about this time; a little later.

Mr. McCULLOCH. That would be 1918; is that correct?

Mr. BENSON. Yes, sir; December and January and November.

Mr. McCULLOCH. Did you work on Camp Grant at any time during 1917?

Mr. BENSON. No; I was at Custer then.

Mr. McCULLOCH. What did you do at Camp Grant?

Mr. BENSON. Well, I bought some old skates of horses from the Government, and I had a couple of teams at work there; I fit them up with wagons and harnesses.

Mr. McCULLOCH. And you put them at work at the camp?

Mr. BENSON. Yes, sir.

Mr. McCULLOCH. What did you do?

Mr. BENSON. Teaming.

Mr. McCULLOCH. What was the nature of the work you did?

Mr. BENSON. Well, hauling material; mostly hauling it from one place to another place out there and back again.



Mr. McCULLOCH. Were the teams kept busy?

Mr. BENSON. My own were kept pretty busy.

Mr. McCULLOCH. Were they working in a way to get results?

Mr. BENSON. We were grading; the first job we were on was grading.

Mr. McCULLOCH. Now, tell the committee just in your own words how they worked and how they were supervised, and whether they got a day's work out of them.

Mr. BENSON. Why, at times they did, yes; and at other times they didn't.

Mr. McCULLOCH. How is that?

Mr. BENSON. At times they did not get a decent day's work out of the teams.

Mr. McCULLOCH. Well, will you just tell us? What we want to get at is the facts about the thing. When did they do a day's work and when didn't they? What were the circumstances under which they did not do a day's work? I am talking about all the teams, not your own. I am talking about the teaming in general, as you observed it.

Mr. BENSON. One thing, they had the watering place in a pond; in a sea of mud. I wanted to get it changed but I couldn't. There was tons and tons of gravel hauled in there and it froze over and it made it at times worse than ever to get up to the tank. Sometimes men couldn't get their teams watered for—oh, I would say two hours, at times. That was unusual. Usually half an hour. They would check in and then go water those horses—almost impossible to get up before. There was another thing also. At noon they would lose probably half an hour or so getting the teams watered.

Mr. McCULLOCH. Anything else?

Mr. BENSON. One place there was one tank. They had two tanks there to water from and you would have to wait, maybe a string as long as from here over across the street and into the other block to water, after checking in.

Mr. McCULLOCH. You have done teaming generally, have you, before you worked there?

Mr. BENSON. My father was a teamster in Belvidere for years, and I drove the teams.

Mr. McCULLOCH. What do you say as to the method of handling the team work on that job? Was it efficient or not?

Mr. BENSON. The most inefficient I ever saw.

Mr. McCULLOCH. Would you have stood for it if you were a contractor on a private job?

Mr. BENSON. Not for a minute.

Mr. McCULLOCH. Now, I wish you would tell the committee just what happened there that you wouldn't stand for, in addition to what you have already told us, on a private job.

Mr. BENSON. Well, they would have to get their teams watered before they checked in. They would have to be prepared to go to work at the hour. They would have sufficient places to check in so that it wouldn't take so long.

Mr. McCULLOCH. That is, you are now talking about the way they do it on a private job?

Mr. BENSON. Yes, sir; a private job, or where there was efficient management.

**Mr. McCulloch.** Now, during the time that you were working there, could there have been any improvement on that, if it was private job?

**Mr. Benson.** Yes; I think so. I don't see how it could be much worse.

**Mr. McCulloch.** Tell us, now, in what way it was bad?

**Mr. Benson.** Well, they would haul material up to one end of the camp, and then there would be too much there, and they would haul it to the other end of the camp, and then maybe there would be too much there and they would haul it some other place.

**Mr. McCulloch.** Once you got it on your wagon you wouldn't throw it off again until you put it in the proper place?

**Mr. Benson.** Yes; but they would be taking it off and unloading it and then loading it up again.

**Mr. McKenzie.** Let me interject there. Do I understand you to mean that it stayed there only until after they got it off the wagon?

**Mr. Benson.** Yes; there would be too much there, then it was hauled to some other place, and there was too much there, and it was hauled away again.

**Mr. McKenzie.** At every place you would unload it?

**Mr. Benson.** Yes, sir; it would maybe stay there a week and maybe a day, and maybe until that job of concrete was finished, and then it would be taken somewhere else.

**Mr. McCulloch.** So that the effect of it was that a good deal of the material was handled over and over again?

**Mr. Benson.** Yes, sir; a good deal of it. They wanted to have sufficient there; it was cheap. The saying was that the Government had lots of money, if they didn't they could sell us some more bonds and give them our money that we were earning.

**Mr. McCulloch.** Was this inefficiency around there common talk among the people working at the camp?

**Mr. Benson.** Yes, sir.

**Mr. McCulloch.** What would you say, Mr. Benson, about the waste of materials—lumber and other materials?

**Mr. Benson.** The waste of materials? There is a mountain of it there now.

**Mr. McCulloch.** Here at Camp Grant?

**Mr. Benson.** Camp Grant, yes, sir. I tried to get it for the Red Cross or the Salvation Army, but I couldn't get it; but it is there yet, or most of it. It is in the new district, but I understand there was a good deal over near the river, in the old contract; that mountain wasn't quite as high or quite so broad; I guess it was 10 or 15 rods long and 10 rods wide, probably. I may be mistaken in the distance, but it is there now.

**Mr. McCulloch.** You say there are good materials, part of which is lumber, there now?

**Mr. Benson.** Yes, sir; I wish I had it to build with.

**Mr. McCulloch.** Are there other materials there?

**Mr. Benson.** Nails. Anyone wanted a handful of nails and there wasn't any handy, he broke upon a keg and left it there to rust; never carried it in under a shelter.

**Mr. McCulloch.** What do you say as to the waste of materials generally; was it great or was it small?

Mr. BENSON. Well, I think it was great, because I helped to pay for it.

Mr. McCULLOCH. If the work had been done in an efficient manner under a contractor who wanted to do it as cheaply and economically as possible and at the same time as expeditiously as possible, what would you say?

Mr. BENSON. Why, there should have been a man or two around there to see that the stuff wasn't wasted, to see that it was taken care of, to see that the material wasn't all scattered all around under foot, to see that it was piled in a nice pile, to see that the stuff that they used and could be used over was there to be used again. I had worked for contractors under private contracts where there was a cost-plus system, but there never was any waste of materials. They saved that and used it again and again in concrete work.

Mr. McCULLOCH. Can't you account for it being wasted here?

Mr. BENSON. Why, they said the more that it cost, the more they got out of it. That is what the common talk was around there. I don't know. I suppose that is the fact, but there was a building burned up one Saturday night. I always supposed it was to burn the records, but I understood later that the records were in the brick building adjoining it. The building was afterwards rebuilt. After moving the office, which is over in another building, this building was rebuilt; I don't know why; it was after the armistice and they were quite comfortably housed there where they were.

Mr. McCULLOCH. But they built another one; rebuilt the one that was burned?

Mr. BENSON. Yes, sir; taking the workmen off from the other job.

Mr. McCULLOCH. What would you say about the supervisory positions; were they given on merit or for some other reason?

Mr. BENSON. Well, they certainly were not given on merit.

Mr. McCULLOCH. Will you tell the committee why you say that?

Mr. BENSON. Well, anybody could see that.

Mr. McCULLOCH. You say that they were not efficient. What do you mean by that?

Mr. BENSON. Why, they couldn't have been efficient, the way the work was being conducted. There was one man that was a foreman on the road there, making the grade of the road; didn't know what a pair of doubletrees and whiffletrees were; I suppose he was a clerk and always lived in the city.

Mr. McCULLOCH. Any fellow who had been on a farm would know what a pair of doubletrees were?

Mr. BENSON. Most anybody.

Mr. McCULLOCH. And you say this man didn't even know that?

Mr. BENSON. Well, that is what the man said; he had to get some whiffletrees, and he said, "What is that? What do you want of them?"

Mr. McCULLOCH. And this man was representing the contractor?

Mr. BENSON. He was representing the contractor; he was a foreman. I had a little trouble with him because there was a poor man that I wanted his team to work, and he was on a spree, and I hired the boy to drive his team, and he didn't like the boy, it seems, and he sent the team back. I was a little financially interested, because I was feeding my grain and hay to this man's team, and I wanted them to work.

Mr. McCULLOCH. And they didn't work?

Mr. BENSON. No, sir; not that day—not that forenoon—I had to get another driver, because he said the boy was inefficient.

Mr. McCULLOCH. Who was it said he was inefficient?

Mr. BENSON. I don't get the exact date of that—I guess I could get it.

Mr. McCULLOCH. I wish you would make a general statement to the committee, so that we can get your idea in regard to the question of waste—you say that it was great?

Mr. BENSON. Very great.

Mr. McCULLOCH. How great by percentage—just your opinion?

Mr. BENSON. Of what?

Mr. McCULLOCH. Of the materials generally on that work. What would be your opinion as to what the waste of materials was in regard to the percentage?

Mr. BENSON. Well, as long as I was not working there as a carpenter on any of the jobs I couldn't say as to the percentage of waste, but I noticed there was lots of waste and they hauled, wherever they finished one building, they hauled the material over there to the dump and throwed it off. They had a pile of lumber there throwing it off.

Mr. McCULLOCH. You regarded it as a willful waste of good materials?

Mr. BENSON. I don't see how it could have been anything else.

Mr. McCULLOCH. And as to the loss resulting from idleness and waste of time, was that great?

Mr. BENSON. Why, quite great, yes. They had a long line of latrines—about as long as across this building. At times you could go in there and you couldn't get a seat, and I have an exhibit at home of I don't know how many whisky bottles. I am a great fellow to save those things. I pick them up and use them for other things.

Mr. McCULLOCH. Was there bootlegging going on around there?

Mr. BENSON. Bootlegging?

Mr. McCULLOCH. Yes.

Mr. BENSON. What is that?

Mr. McCULLOCH. Well, selling whisky out of a boot, I guess?

Mr. BENSON. They might have sold it out of their boot, but I guess they sold it out of their shoes.

Mr. McCULLOCH. Was there whisky sold on the ground?

Mr. BENSON. Yes; it was a common occurrence for a man to go to Union and come back with a grip full of some liquid, or refreshments, they called them.

Mr. McCULLOCH. Did the men in charge know about it?

Mr. BENSON. I don't know; they would have known it if they kept their eyes open.

Mr. McCULLOCH. It was apparent to anybody that looked?

Mr. BENSON. Yes, sir.

Mr. McKENZIE. What would you say as to the number of teams on that job, under Mr. Erickson, I understand you only worked under him?

Mr. BENSON. Yes, sir.

Mr. McKENZIE. Were there more teams employed there than were really necessary?

Mr. BENSON. Why, I should think so; they didn't seem to be very busy, some of them.

Mr. McKENZIE. It is your judgment that the work could have been performed with fewer teams?

Mr. BENSON. Yes, sir; if a more efficient management had been exercised in loading and unloading.

Mr. McKENZIE. If the teams had been working for the Government while they were waiting to get water in the morning, on Government time, they would have accomplished the work with fewer teams, wouldn't they?

Mr. BENSON. Yes, sir.

Mr. McKENZIE. And, if I understood you correctly, you said sometimes they would have to wait two hours before they could get to water the teams?

Mr. BENSON. Well, that was very unusual. Well, I guess one morning it froze up and they couldn't get the water.

Mr. McKENZIE. Well, what would be the average time they would have to wait?

Mr. BENSON. Well, many teams were watered before they went there, but many teams would lose a half an hour in the morning watering. My teams were down in another barn where I had water there, and they were watered before I got on the job usually, but after a while the water run out of the cistern and then I had to water up there, and then I was told that I had to move my teams up to the barn in the center of the camp, where it was surrounded with mud; you could hardly get there for the mud, and I didn't like to keep them there, when I had a regular horse barn down to the other place and my hay was there, too; there was a good place there, part of my hay was there, and then when I asked Col. Charles he said I could move back to the other barn, I got his permission. They didn't like it though, and was going to move me down to this other barn out of the barn I was in, where it was dry, they said if I didn't go over before noon they would move me, and I told them to go ahead and move me, I had got permission from Col. Charles and they couldn't do anything.

#### TESTIMONY OF LIEUT L. F. PAPE.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Give your name to the stenographer.

Lieut. PAPE. L. F. Pape.

Mr. McCULLOCH. Are you in the Army?

Lieut. PAPE. Yes, sir.

Mr. McCULLOCH. Where are you now assigned?

Lieut. PAPE. Assistant division quartermaster, Sixth Division.

Mr. McCULLOCH. Were you at Camp Grant during the construction period?

Lieut. PAPE. Yes, sir.

Mr. McCULLOCH. In what capacity?

Lieut. PAPE. I was assigned locally by the camp adjutant on about the 2d of September to organize a fire department in that camp and to be under Mr. Julian, of the Rockford fire department, until I had become familiar enough to take the situation over.



Mr. McCULLOCH. Lieutenant, I wanted to get a comparison, if you could give it to us. As I understood, you had the information in regard to the difference in the cost of a certain building under the original construction by the contractor and one put up by the quartermaster on the regular labor scale, as I understand, in April, 1918. There was a mule shed burned down?

Lieut. PAPE. Yes, sir; I am wrong on that date. I have looked it up since and I have the correct date now.

Mr. McCULLOCH. Will you tell us about that, Lieutenant?

Lieut. PAPE. On June 22 we had a stable burn down, designated as 737 west and I estimated the fire loss at \$600 and I was told that my estimate was way low; that the cost of the building was approximately \$2,200, which figure I have authenticated to-day.

Mr. McCULLOCH. That is, you had to verify the figure?

Lieut. PAPE. Yes; by calling up the utility department and getting from their drafting room the approximate cost of buildings of that type for construction.

Mr. McCULLOCH. All right, go ahead.

Lieut. PAPE. And they gave me that figure. At that time that would be the only loss I had had and I wanted to keep it down as far as possible, so I told the quartermaster's department to give me the absolute cost and the figures ran a very few dollars over my \$600 estimate. I don't think it was \$25 over, and you could figure in there about \$75 salvage.

Mr. McCULLOCH. That is, you salvaged \$75 worth of material?

Lieut. PAPE. About that of material.

Mr. McCULLOCH. And you replaced the building?

Lieut. PAPE. Replaced it for approximately \$600, on an estimated Government cost of \$2,200.

Mr. McCULLOCH. Lieutenant, do you know anything about the comparative costs of the two-story barracks; can you give us some idea of the actual costs and of the estimated cost, if it had been done under the quartermaster?

Lieut. PAPE. I figure that the buildings could have been done under the old construction about 55 per cent cheaper.

Mr. McCULLOCH. Than they were done?

Lieut. PAPE. Yes, sir.

Mr. McCULLOCH. Now, would you give the committee the benefit of your method of figuring? How do you arrive at that conclusion?

Lieut. PAPE. I would figure from partial experience I had in civilian life along that line on contracts.

Mr. McCULLOCH. And it is your opinion they could have been built, as I understand, for 55 per cent of what they did cost you?

Lieut. PAPE. Yes, sir.

Mr. McCULLOCH. Or rather that would be 45 per cent?

Lieut. PAPE. 45 per cent.

Mr. McCULLOCH. 55 per cent cheaper?

Lieut. PAPE. Yes, sir.

Mr. McKENZIE. I would like to have you explain that a little more fully, Lieutenant.

Lieut. PAPE. I had figured on a proper management—superintendency of the building and by eliminating an overhead expense of wastage and figuring on a contract price and not on a cost-plus price.

Mr. McKENZIE. Well, now, figuring on the wastage, would that involve the cutting of lumber, when they undertook to build the two-story barracks; that would not have been necessary if they had pursued the one-story system?

Lieut. PAPE. No; I don't mean that. I know that, through workmen and foremen, that men were employed as carpenters, classified as carpenters, that knew a bit and hammer and knew partially how to use them and through the mistakes they made in the cutting of material and through the wasting of material a large expense was incurred. For instance, I had to open several barracks below the first floor. They are elevated from 2 to 5 feet and are boarded in and where we thought there was a fire we opened these partitions and found in many cases piles of lumber that were absolutely new and had been delivered on the job, and I think that the first place we opened was charged against the building.

Mr. McKENZIE. Well, Lieutenant, are you familiar with the plans and specifications that were made a part of the Quartermaster's Department along about 1916 for the construction of cantonments?

Lieut. PAPE. I am partially familiar with the type of buildings we have at Camp Grant; yes, sir.

Mr. McKENZIE. The plans at that time prepared by the Quartermaster's Department did not include such a thing as a two-story barracks, did they?

Lieut. PAPE. I don't know anything about that, sir.

Mr. McKENZIE. Well, I think that is true. The plans will show that they intended at that time to construct only a one-story building and the change to two story was an afterthought or consideration on the part of some one in the War Department; I don't know just who it was.

Lieut. PAPE. You see, the buildings were altered again after being put up, an addition was put on to accommodate more men after the building was completed.

Mr. McCULLOCH. Did you observe, Lieutenant, the fact of men who were discharged from one gang being able to go and get a job with another gang?

Lieut. PAPE. Yes, sir.

Mr. McCULLOCH. I wish you would tell about that, you being a practical man.

Lieut. PAPE. I knew through hearsay that a man would be discharged from one job and he would get in line, I believe, between 12 and 1 o'clock at noon and get in another gang, and if I would find out from some of the foremen why certain work was done and they would tell me it wouldn't do any good to fire this man on the ground, because he would get another job in two hours and that same man might be over him.

Mr. McCULLOCH. That is, he would be his foreman?

Lieut. PAPE. Yes, sir. I applied to Bates & Rogers when the contract was partially expired. I had a civilian force of 80 men under me and I had about two-thirds of them quit because I tried to drive them, and the next man that I would fire probably would come back in my gang that afternoon—hire out under some different time checker. We would send in a request for 15 or 20 men and I would probably get the same men back in the afternoon.

Mr. McKENZIE. What do you mean by "driving," Lieutenant? You mean you wanted them to do more than an ordinary day's work?

Lieut. PAPE. The work I had to do—I was foreman of the men building pail racks; that is, a rack that will hold from two to five pails for fire buckets. I had one gang of men making those on a band saw and I had about 30 laborers putting them in the building. I had several of my sergeants working in this labor gang and when they would try to install a certain number of racks the men would get tired and want to loaf, and when we would try to keep them on the job they would quit.

Mr. McCULLOCH. And then if you would fire them and would call for additional men you would get the same fellows back?

Lieut. PAPE. Yes, sir; in several instances we would get the same fellows back in the afternoon.

Mr. McCULLOCH. What was the reason for that?

Lieut. PAPE. Well, a man could say he had never been employed in the camp before, or he could go to the checking booth and get back.

Mr. McCULLOCH. He couldn't do that under a private contract?

Lieut. PAPE. That is a question, because of the number of men employed, and it would be pretty hard for any foreman, I believe, to recognize the men.

Mr. McCULLOCH. Well, would you keep them, then, when they would come back?

Lieut. PAPE. No; I would fire them over again.

Mr. McCULLOCH. And would you get them back again?

Lieut. PAPE. I don't believe I ever got them back the second time or the third time.

Mr. McCULLOCH. How about the boilers; are there any boilers out there?

Lieut. PAPE. Well, we have the central heating plant and individual heating plants.

Mr. McCULLOCH. Are there any Kewanee boilers out there?

Lieut. PAPE. We had one in the building that I noticed sitting there a little over two months, and we didn't have heat until, I would say, about the 20th of November.

Mr. McCULLOCH. I understand there are about 40 or 50 Kewanee boilers laying out on the scrap pile?

Lieut. PAPE. Why, I know of some boilers out there; yes, sir; but I don't believe they are on the scrap pile. I know in the last two months there are a lot of boilers being repainted; they are out in the open, but it seems that care has been taken of them.

### TESTIMONY OF COL. WILLIAM H. OURY.

(Witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Colonel, you have given your full name to the stenographer, and it is what?

Col. OURY. William H. Oury.

Mr. McCULLOCH. You are connected with the Regular Establishment, as I understand?

Col. OURY. Yes, sir.

Mr. McCULLOCH. How long have you been in the Army?

Col. OURY. A little over 21 years; 21 years and a half.



Mr. McCULLOCH. Where are you now assigned?

Col. OURY. I am stationed at Kansas City, Mo.

Mr. McCULLOCH. And you are here under orders from the War Department to-day?

Col. OURY. Yes, sir.

Mr. McCULLOCH. Colonel, were you at any time connected with the Quartermaster Corps under Gen. Littell, who was then Col. Littell?

Col. OURY. Yes, sir; I was on duty in the Quartermaster General's Office from some time in June, 1914, until June, 1917.

Mr. McCULLOCH. What department of the Quartermaster General's Department?

Col. OURY. In the construction division.

Mr. McCULLOCH. What, if anything, do you know, Colonel, about the preparation of plans for the construction of shelters for soldiers?

Col. OURY. Plans were prepared in the office of the construction division.

Mr. McCULLOCH. They are printed, as I understand, in Appendix 16 of the Quartermaster's Manual, 1916; is that right?

Col. OURY. Yes, sir; that is correct.

Mr. McCULLOCH. Did you have anything to do with the preparation of those plans?

Col. OURY. Yes, sir. I didn't have anything to do with the drawing of the plans. I revised them with the construction men and the architect we had in the office, and I went over the plans with him—assisted Col. Littell.

Mr. McCULLOCH. You were giving this situation consideration, as I understand, Colonel, because of the emergency in Mexico; is that right, or was this prior to that?

Col. OURY. Well, that was one of the reasons why we were doing it. There was a demand for a shelter of that sort and then again we were always anticipating or trying to anticipate the needs of the War Department in case anything should develop along that line.

Mr. McCULLOCH. From the time the European war began, state whether or not your department was concerned more or less at all times with the probability that the United States might enter the war and the necessity that might arise therefrom along that line!

Col. OURY. Well, we, of course, knew that we might be drawn into it although there wasn't anything to indicate such a possibility, from one's personal opinion about it but inasmuch as this World War might embroil us, we figured we might better make such preparations as we could, although we couldn't say anything about it.

Mr. McCULLOCH. As a matter of fact, your department did anticipate, and very properly so, it seems to me, that we might get into the war and you began laying your plans somewhat accordingly. Isn't that true?

Col. OURY. That is true, yes, sir.

Mr. McCULLOCH. With the result that the plans for the shelters and the taking care of the soldiers was carefully gone into, is that correct?

Col. OURY. Yes, sir.

Mr. McCULLOCH. This appendix, printed and, as I understand, with the exception of the 2-story barracks and the latrines, the plans

which had been prepared in your department, probably to some extent, maybe to a large extent with your assistance, was used?

Col. OURY. These were prepared.

Mr. McCULLOCH. They were prepared and they were in fact used, with the exception of the 2-story barracks and the latrines, isn't that correct?

Col. OURY. Well, that isn't quite all of it. We had not prepared plans for ice plants—

Mr. McCULLOCH. But I am talking about the shelter itself?

Col. OURY. Yes, the shelter itself we had prepared.

Mr. McKENZIE. The preparation for hospital facilities is under the Medical Corps, as I understand?

Col. OURY. That is under the Medical Corps, yes, sir; they prepare their own plans and we do the work; that is, the Quartermaster's Corps does.

Mr. McCULLOCH. Now, Colonel, do you know the history of the change from the one-story to the two-story barracks?

Col. OURY. Yes, I do.

Mr. McCULLOCH. I wish you would tell the committee just what occurred and the arguments pro and con, for and against, the two-story barracks, and so on?

Col. OURY. Well, we had not considered until quite some time after war was declared anything but the one-story building, because of the temporary character of the construction. The first I knew of it, and I believe I am correctly stating it—that was the first time that thing had occurred in our offices, was through a couple of Canadian officers who had had charge of construction in the Canadian camps. They came into the office with plans of two-story barracks which they said they had been using to great advantage in their camps.

Mr. McCULLOCH. Now, just a little interjection there for a moment. As I understand, this discussion was in the Quartermaster's office?

Col. OURY. Yes, sir; it was.

Mr. McCULLOCH. In the Construction Corps of the Quartermaster's office; is that correct?

Col. OURY. Yes, sir; that is correct?

Mr. McCULLOCH. The Army was giving consideration to the two-story barracks proposition?

Col. OURY. That is true.

Mr. McCULLOCH. Go ahead with what the discussion was.

Col. OURY. Well, I would like to say in getting out our plans for the one-story building, this was under the arguments used, the supply of lumber as commercially cut was a big factor; for instance, they cut in the mills, or at least we were so informed—I am not a mill man—that certain lengths of lumber, they cut a certain per cent 10 feet, and a certain per cent 12 feet, and a certain per cent 14 feet, and so on, and we tried to plan these buildings so that the commercial supply of lumber could be used without waste. For instance, you would not cut off 1 foot or 2 feet, but make it fit into the building. And I think we had pretty successfully accomplished that. That is one reason why I stood out myself for the one-story building.

Mr. McCULLOCH. You did that to avoid waste of lumber.

Col. OURY. To avoid the waste of lumber. There was another factor; the one-story building would not house one company; we figured

at least three buildings were necessary. That is the way I looked at it from my experience in handling troops, that was the only thing in handling green troops; they all had the measles and the mumps and the rest of it, and if you have to quarantine the whole company you throw the whole company out; if you have smaller buildings it throws out that fraction of the building and the rest can go on training. That was quite a factor, and it turned out to be that way in their training that was another factor. And the speed with which it could be put up was another factor. It would require a greater speed in handling lumber. That was the arguments for.

On the other side they took the position that the greater extent of ground and the extent of sewers and roads and water mains, etc., would be more than the cost of the two-story buildings. Those were practically the arguments. I, myself, was in favor the one-story building up to the time I left the department.

Mr. McCULLOCH. Do you think now the one-story barrack would be more speedily constructed?

Col. OURY. I think there is no question about it.

Mr. McCULLOCH. Well, in this situation speed was very near all important, was it not?

Col. OURY. So we considered it; yes, sir.

Mr. McCULLOCH. To pursue the matter of speed, the argument for speed—speed was necessary in order to get soldiers trained?

Col. OURY. That was the point.

Mr. McCULLOCH. And your plan was a temporary housing of men who could be promptly put into training?

Col. OURY. That is the idea.

Mr. McCULLOCH. You were seeking men, and not buildings?

Col. OURY. That is the point.

Mr. McCULLOCH. And your argument as to the diseases that would result from bringing men together, which would always occur, as you said, and which would probably delay training, would have been reduced considerably if the companies had been divided up and housed in three buildings rather than one; is that it?

Col. OURY. That is the idea.

Mr. McKENZIE. Colonel, what part, if any, did the Surgeon General of the Army take in that discussion?

Col. OURY. He took a very firm stand of not only small buildings but cabins of eight men, and came very near forcing them on the Army.

Mr. McKENZIE. He was absolutely opposed to the two-story buildings?

Col. OURY. Yes, sir.

Mr. McKENZIE. And as a matter of fact you and he agreed.

Col. OURY. On the principle; I did not agree with him on the very small unit, because of the lack of supervision of all of the green men which would result.

Mr. McCULLOCH. What do you say as to whether or not it would have taken up twice as much land?

Col. OURY. I don't think it would; and the fire hazard would have been reduced; they would have been closer together.

Mr. McCULLOCH. But in the final analysis, as I understand you, you were overruled and the two-story barracks was adopted?

Col. OURY. I was overruled absolutely.

Mr. McCULLOCH. Did that occur before you left the Quartermaster's office in Washington?

Col. OURY. That occurred about the time I left.

Mr. McCULLOCH. What part, if any, did the emergency construction committee play in the change or in the adoption of the two-story barracks as against the one-story barracks, if you know?

Col. OURY. I think they favored it; that is one of the reasons my chief went that way.

Mr. McCULLOCH. That is Col. Littell, is it?

Col. OURY. Col. Littell.

Mr. McCULLOCH. And he accepted their judgment?

Col. OURY. He accepted their judgment.

Mr. McCULLOCH. Was Col. Littell for the one-story barracks to begin with, as you recollect the situation?

Col. OURY. Well, he approved them; the plans were approved; had to be approved not only by Col. Littell but the Quartermaster himself before they got into it.

Mr. McCULLOCH. Is it a fact, so far as you know, that the emergency construction committee influence or attitude was determinative of the action finally taken?

Col. OURY. I understood them, and so think now, that it did.

Mr. McCULLOCH. Of what did the lumber committee have to say about it, if you know, about that time?

Col. OURY. Well, I was the Government representative on the lumber committee and had a chance to know something about that, although I was not especially active, because there was not much I could do; they were very much opposed to a change in the specifications of the lumber and protested vigorously.

Mr. McCULLOCH. To the two-story?

Col. OURY. To the two-story; it meant an entire change. You see, they had mapped out a supply of lumber in the country to meet the buildings in accordance with the plans that had been given to them by our office; the number of men in the houses; the type of buildings that were necessary, and they had tried to place, and I think conscientiously tried to place this lumber where it would not be conflicting, without robbing one camp and supplying another; and this upset their whole scheme at the time.

Mr. McCULLOCH. With the result, according to any process of reasoning, that there was delay and waste, isn't that true?

Col. OURY. Well, there was a great deal of waste, I think, beyond question; how large a part it played in the delay I am unable to say. My opinion is that it did delay the construction.

Mr. McCULLOCH. And you so urged, did you not, before the various committees that you had to deal with, and your superiors? As I understand, that was a part of the arguments used.

Col. OURY. I did not appear before the committee.

Mr. McCULLOCH. I mean, you were a member of the one committee.

Col. OURY. The lumber committee. I urged by chief, Col. Littell, to stick to the one-story. And the lumber committee people—well, late in the day I was able to report to them that we were going to, and then shortly after that I had to reverse my report; and the following day I was relieved.

Mr. McCULLOCH. You were relieved at Washington?

Col. OURY. I was relieved at Washington.

Mr. McCULLOCH. Did you ask to be relieved?

Col. OURY. I did.

Mr. McCULLOCH. Do you object to telling the committee why?

Col. OURY. Well, my usefulness I considered to be over; that was one reason. I rather objected to being a rubber stamp or a figure head.

Mr. McCULLOCH. Was it your opinion, Colonel, that the men who were handling troops, who had made their life work the handling of troops, that their opinion should have weighed in these very important matters in this emergency?

Col. OURY. Well, I think they should. I haven't a question but what the opinion of Col. Littell was taken. It probably is true that Col. Littell's opinion and mine differed; that is where the trouble came in.

Mr. McCULLOCH. You are talking now of Col. Littell's decision?

Col. OURY. Well, he undoubtedly gave a decision according to his opinion.

Mr. McCULLOCH. Well, he has testified before this committee that he yielded to the superior judgment, as he put it, to the opinion of the committee on emergency construction.

Col. OURY. Yes; I read that.

Mr. McCULLOCH. So that at least in some instances I believe the testimony indicates that in most instances he regarded the emergency construction committee somewhat as the superior and accepted their judgment. Time and time again he says in his testimony that he yielded to what he regarded as the superior judgment of the committee on emergency construction.

Col. OURY. I had the feeling that they were so regarded as superiors, and so far as my services were concerned they would be more useful elsewhere.

Mr. McCULLOCH. And when you say you did not desire to be a rubber stamp you felt that your opinions, in the light of your experience and the work you had put on, should have weighed and that you should not be called upon to accept their opinions?

Col. OURY. That is my viewpoint.

Mr. McKENZIE. The emergency construction committee was composed largely of large contracting firms or of persons representing contracting firms and architects?

Col. OURY. Yes; some architects and town planners; yes, sir.

Mr. McCULLOCH. Colonel, now going to your qualifications again to deal with this subject and with the contracts that the government would be called upon to enter into the construction of these camps I will ask you whether or not it is a fact that from 1914 on up until you were relieved from duty in that department that had been the principal part of your business, to give attention to the housing of troops, the preparation of plans, the letting of contracts for the construction of temporary shelters, and other kinds of shelter; had that largely been your business?

Col. OURY. That had been entirely my duty in the Quartermaster General's Office.

Mr. McCULLOCH. So that in connection with your work and in line with your duties you had made a study of the immediate neces-

sities and the probable necessities that might grow out of an emergency; is that correct?

Col. OURY. Yes; that is true; I had to make more or less of a study from the very nature of my work.

Mr. McCULLOCH. It was your business?

Col. OURY. It was my business.

Mr. McCULLOCH. You devoted your time largely to that; is that correct?

Col. OURY. That is correct.

Mr. McCULLOCH. Colonel, we have not elaborated to any great extent on the experience you had in the letting of contracts during that period, say from 1914 until you were relieved; will you tell us whether you had any experience in the letting of contracts on the Mexican border or elsewhere, in the construction work?

Col. OURY. The contracts were let locally; we allowed the money and they did the work down there.

Mr. McCULLOCH. I am not talking exactly about the formality of the contract; I am talking about the form of contract approved, and the control of it; that was lodged in your office, wasn't it?

Col. OURY. That was lodged in our office; yes, sir.

Mr. McCULLOCH. And did your duties require you to make a study of the contracts that should be let; the particular kind of contract that in your judgment should be let or entered into?

Col. OURY. Not to any great extent; I had to go over the contracts, and that was done by our engineering department largely, because the contracts involved a lot of technical work that I was not familiar with and never made any pretense of being familiar with.

Mr. McCULLOCH. Of course, you are not a lawyer; I suppose the legal phraseology was left to the Judge Advocate's Office?

Col. OURY. Yes; if there was any question about it. We had men very well up in the law.

Mr. McKENZIE. You made a study of the elements of the contract however?

Col. OURY. Oh, yes.

Mr. McCULLOCH. And as a practical proposition did you give consideration to and weight to the various safeguards that would ordinarily be placed in a contract to protect the Government against loss?

Col. OURY. Well, the form of our contract, as you know, was pretty well safeguarded in the advertising scheme, advertising and taking the lowest bidder.

Mr. McCULLOCH. You were familiar with those contracts?

Col. OURY. Yes, sir.

Mr. McCULLOCH. It was the lump-sum contract system?

Col. OURY. Yes, sir; we were not familiar with the cost-plus contract at all at that time.

Mr. McCULLOCH. When the emergency construction committee got on the job, which has been stated by the chairman of this committee in a question asked you, and which you confirmed, was composed of architects and contractors or representatives of contractors and architects—when they got on the job the question of the form of contract became a question of consideration, did it not?

Col. OURY. It did; and I may say we were considering some form of a cost-plus system before the committee was organized. I don't



think that they were responsible in suggesting that plan of a contract. Now, that is my memory.

Mr. McCULLOCH. Who did suggest it?

Col. OURY. Well, it came up in the office there, probably a discussion among ourselves, and there was a contract let at the Rock Island Arsenal, as I recollect it, on the cost-plus system, and we got a copy of that, I believe, from the ordnance people and studied that. That was the beginning, as I recollect it—the beginning in my own mind of a discussion of the cost-plus system. That was some little time before the committee was organized.

Mr. McCULLOCH. Well, your department had given consideration to all forms of contract, had you not?

Col. OURY. Yes; we were debating how this thing could be done in a hurry, because we realized it had to be done in a hurry.

Mr. McCULLOCH. The point I am making is that your department was on the job.

Col. OURY. We thought we were anyway.

Mr. McCULLOCH. Giving consideration to the immediate necessities and the necessities that might arise as the result of an emergency.

Col. OURY. Yes, sir.

Mr. McCULLOCH. You were then giving consideration to all the various forms of contracts?

Col. OURY. As I remember it, yes, sir.

Mr. McCULLOCH. Which included the cost plus.

Col. OURY. Yes, sir.

Mr. McCULLOCH. The emergency construction committee, as I understand it, Colonel, was organized and therefore became an active force on April 28, 1917. Is that right?

Col. OURY. Yes, sir.

Mr. McCULLOCH. That is approximately the date.

Col. OURY. That is approximately the date; I don't recollect the exact day of the month.

Mr. McCULLOCH. How long prior to that time had you been giving consideration to the form of contract, if you can remember it.

Col. OURY. Well, I don't remember the exact length of time; it was probably two or three weeks before that that the question of how to let this work was under our consideration.

Mr. McCULLOCH. On April 21, 1917, there was a letter written to Hon. Thomas S. Martin, United States Senator, which was signed "Thomas Cruse, Brigadier General, Quartermaster Corps," and which is initialed WHO-P; the letter is marked ICDQ-88 for the purpose of identification. I wish you would look at that letter, Colonel, and tell us what, if anything, you know about who wrote it, and so on. I am handing the witness a carbon copy of a letter taken from the files of the War Department.

Col. OURY. I wrote the letter.

Mr. McCULLOCH. Now, at that time, Colonel, a decision had not been arrived at to make the contracts under the cost-plus system.

Col. OURY. No; it had not. But we were discussing it, however.

Mr. McCULLOCH. You were discussing it and I direct your attention to the last four lines in the letter in which you say, "In all probability this work if authorized will be done after extensive ad-

vertisement and the said construction company will be given an equal opportunity to bid on such material for such work as may be required." That was on April 21, 1917.

Col. OURY. That was probably more or less of a form that we had at that time. You must remember that about that time there were about 10,000 contractors in the United States either writing to or visiting Washington.

Mr. McCULLOCH. And if the decision had been made the chances are that that form of letter would not have been used, isn't that right?

Col. OURY. I don't think that would have been used if that had been made.

Mr. McCULLOCH. I want to trace that, Colonel, the history of the cost-plus contract, and I feel that these letters are in line with the facts as you have stated them and as they exist.

The letter I have referred to may be inserted in the record in full at this place.

(The letter referred to is as follows:)

APRIL 21, 1917.

HON. THOMAS S. MARTIN,  
*United States Senate.*

MY DEAR SIR: Your letter of the 20th instant stating that Mr. Forbes, representing the Central Construction Corporation, engineers and contractors, Harrisburg, Pa., has advised you that this company is making an effort to secure from this department a contract for the construction of the "division camps which are shortly to be located and erected," and that you believe this company to be financially and constructively able and equipped to do any work of this character, etc., has been received.

In reply, I have the honor to inform you that your letter has been listed for future consideration when funds are appropriated by Congress for an increase in the size of the Army requiring additional temporary shelter at camps. No doubt considerable temporary construction will be done at camps throughout the country, but at the present time it is not definitely known what action will be taken by Congress relative to the size of the Army. In all probability, this work if authorized will be done after extensive advertisement and the said construction company will be given an equal opportunity to bid on such material or work as may be required.

Very respectfully,

THOMAS CRUSE,  
*Brigadier General, Quartermaster Corps.*

WHO-P.

Mr. McCULLOCH. I also hand you a letter, dated April 25, 1917, and addressed to Hon. Charles P. Coady, House of Representatives, and signed evidently by the Secretary of War and initialed WHO-RMJ, and marked "ICDQ-89," for identification, being a carbon copy taken from the files in the War Department [handing letter to the witness].

Col. OURY. This is also a letter dictated by me.

Mr. McCULLOCH. We will make this letter a part of the records.  
(The letter referred to is as follows:)

APRIL 25, 1917.

HON. CHARLES P. COADY,  
*House of Representatives.*

DEAR SIR: I have the honor to acknowledge receipt of your communication of the 23d instant relative to the awarding of contracts for barracks for the Army.

In reply thereto you are informed that this office is now experimenting with certain types of temporary buildings with a view of ascertaining their suitability for sheltering the proposed increase in the Army.



It has not been definitely determined what method will be followed in the construction of these buildings as so much depends upon the number of troops to be provided for and the amount of funds which will be available for sheltering such a force, which matters are now pending in Congress.

If, however, it is decided to do this work by contract or contracts the same will in all probability be extensively advertised for beforehand, and if you so desire the name of your constituent will be listed and he will be advised when bids are called for.

Very respectfully,

— — — — —, *Secretary of War.*

WHO-RMJ.

Mr. McCULLOCH. I call your attention to the last paragraph, which says:

If, however, it is decided to do this work by contract or contracts the same will in all probability be extensively advertised beforehand, and if you so desire the name of your constituent will be listed and he will be advised when bids are called for.

I also hand you, Colonel, a letter dated April 30, 1917, signed I. W. Littell, colonel, Quartermaster Corps, and it is to the Southern Sales Co., 1709 G Street NW., Washington, D. C., and initialed WHO-HCL. That letter is dated about two days after the Emergency Construction Committee got under way, or got organized, and is a carbon copy taken from the files of the War Department, and five days after the writing of your letter dated April 25, 1917, and which is marked "Exhibit ICDQ-89" [handing letter to the witness].

Col. OURY. Yes; that was dictated by me.

Mr. McCULLOCH. In this letter I call your attention to the last four lines of the last paragraph:

It is the intention of the department to do this work on a percentage basis and of course in that event the matter of what is included in the cost should be arrived at later should you be selected to perform a part of the work.

That letter may be inserted in the records.

(The letter referred to is as follows:)

APRIL 30, 1917.

The Quartermaster General of the Army.

The Southern Sales Co., 1709 G Street NW., Washington, D. C.

Construction of cantonments.

1. Replying to yours of the 27th instant, under separate cover you will find a set of plans for temporary building which it is now proposed to use for housing our increased Army. They are not knock-down buildings, as would be inferred from your communication, but are temporary buildings of a fixed type.

2. We would be pleased to hear from you at your convenience on prices, accompanied by a statement of your facilities for constructing buildings of this type. It is the intention of the department to do this work on a percentage basis, and, of course, in that event the matter of what is included in the cost should be arrived at later should you be selected to perform a part of the work.

I. W. LITTELL,

Colonel, Quartermaster Corps.

WHO-HLC.

Mr. McCULLOCH. So far as you were advised, therefore, the decision must have been made in the interim between the writing of the one letter and the writing of the other letter.

Col. OURY. I don't remember just what occurred, of course; there has been too much of other things happened, and I don't remember the details.

Mr. McCULLOCH. The letters are authentic?

Col. OURY. They are authentic.

Mr. McCULLOCH. And you have no reason to doubt the evidence?

Col. OURY. I have no reason to doubt it. Changes were taking place, and things were taking place rapidly, and no doubt that change in policy had occurred.

Mr. McCULLOCH. The decision was finally made as you state in your last letter, to let the contracts on the percentage basis. Was the form of the contract the subject of discussion in your department?

Col. OURY. Yes, sir; it was. We were discussing various forms; not with the committee, among ourselves. I never talked to the committee about it. I remember the letting it on a percentage basis when it first came up.

Mr. McCULLOCH. Did you discuss it with Col. Littell?

Col. OURY. I did.

Mr. McCULLOCH. Did you finally receive from the emergency committee a form of contract or a tentative draft of a contract and submitted to you for consideration?

Col. OURY. I think, as I remember it, there was a tentative draft before the final draft came to us of a form of this contract. The matter was taken out of our hands entirely. I was advised that the committee was getting out a contract and I was not asked for any opinion on it at any time. The only way I could express an opinion was to "horn in" and make myself heard, whether they wanted to hear me or not.

Mr. McCULLOCH. Colonel, after seeing the contract, whether it was sent to you, or however you may have received the information, after you had seen the contract, and after having discussed it in your department with Col. Littell and perhaps others, I will ask you whether or not you saw a memorandum that was prepared by Gen. Littell, or sent by Col. Littell to Maj. Starrett, dated May 5, 1917, in which Col. Littell pointed out certain objections that he desired to advance in regard to the cost-plus contract which it was proposed to adopt and use.

Col. OURY. Yes; I have seen the memorandum. I wrote the memorandum. I don't know what modifications Col. Littell may have made in it. The ideas contained in it were my own, and, as I remember, his also.

Mr. McCULLOCH. Colonel, have you seen the record of the testimony of Gen. Littell before our committee?

Col. OURY. Yes, sir.

Mr. McCULLOCH. To be found in volume 15, page 1809, and following; have you seen that [handing a volume of testimony to the witness]?

Col. OURY. Yes; I have read it.

Mr. McCULLOCH. I hand you the record of the testimony and ask you to just take it and look at the pages containing that memorandum and say to the committee whether or not you have gone over it, so that we can discuss it in the light of your examination, if you did so examine it: I think that is the memorandum that you have stated before the committee that you have prepared.

Col. OURY. Yes; that is the memorandum, and I am familiar with that. I have read it.

Mr. McCULLOCH. You have gone over it?

Col. OURY. Yes, sir.

Mr. McCULLOCH. I am going to read this paragraph by paragraph, and as we go along I would like to have you discuss the objections that are made in the memorandum to the contract, elaborating, if you will, your views upon the various subjects discussed. In the first paragraph it says:

With reference to the proposed contract for the construction of cantonments, it is believed that the contract as drawn is entirely in favor of the contractor. It is also believed that the temporary nature of the work involved should be given more weight in considering contracts of this character.

Would you care to say anything in addition to anything you have said in that paragraph?

Col. OURY. Well, that paragraph was based on what was transpiring, really. The overhead that they were contemplating for the building of what I considered very temporary buildings to shelter troops for an emergency; it seemed to me that they were making it somewhat top-heavy with engineers, where engineering was not to be a very big feat in the construction.

Mr. McCULLOCH. As a matter of fact, the engineering had practically all been done, hadn't it?

Col. OURY. Well, the engineering connected with it was largely a matter of water and sewerage?

Mr. McCULLOCH. Utilities?

Col. OURY. That is all. The rest of it, there wasn't any of the engineering technicalities involved.

Mr. McCULLOCH. Paragraph 2 may elaborate upon that general statement contained in paragraph 1 by saying:

First. There is no technical skill involved for which the contractor could properly demand 10 per cent on all cost for its use. The supervision is simple and will require a limited number of men, with only moderate equipment technically.

What have you to say, if anything, about that, Colonel?

Col. OURY. I think that explains itself.

Mr. McCULLOCH (continuing reading):

Second. There is no overhead that the contractor must furnish. All the cost of whatever nature, except the main offices of the contractor are included in the computation of costs for which the Government must pay and on which the contractor receives 10 per cent.

Have you any additional comment to make on that?

Col. OURY. No, sir.

Mr. McCULLOCH. You think that states the fact?

Col. OURY. That states the fact.

Mr. McCULLOCH (continuing reading):

Third. It is believed that some advantages would result to the Government if the contractor be required to furnish all the tools necessary out of the 10 per cent or 8 per cent, or whatever else is allowed. In that event he would at least be furnishing something and the 10 per cent would not be entirely clear. To illustrate what I mean above, suppose that one of the division of camps costs \$2,000,000, which approximates its actual cost when constructed, the contractor would receive \$200,000. Now, the question that presents itself is, what does he render to the Government in return for the \$200,000? He practically assumes no responsibility as the Government must actually stand behind his purchases of material and his hire of labor. He furnishes no tools. The only responsibility he has in the case appears to be that of furnishing a given number of superintendents and hiring the necessary labor; the labor to be paid for by the Government and the contractor to receive 10 per cent in addition to what the Government pays the laborers.

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I have had just as legiti-

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government has had to take it over  
ber that we have had for 10 years,  
And I am firmly convinced in my  
at some sort of cost plus, where the  
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had to get behind it without a system,  
nable. These are my views. It is not  
the form of the contract. I was not  
safeguard, if I had been enough of a  
at; I can't say I could. I may have had  
I have helped. But some form of a con-  
was the only answer under the emergency.  
have done it by unit cost. I don't believe  
under lump-sum cost and got it done unless  
ed in and finished it.  
do you think of Gen. Goethal's views, that  
d have gone into this and constructed these

I if they had given us the organization; I  
ar of building any one of these camps if the  
me the nucleus of the organization, and that  
ne big contractors, whom they thought had the  
ation which would get the work out of the men.  
ell, in that case, Colonel, couldn't they easily  
the way it was done; couldn't they have com-  
s here in the Engineering Corps and put him in  
Army and paid him a colonel's salary?

I believe, would have helped. I believe if the  
got behind it—the real answer to the thing was this,  
for the Government to have done it itself without  
contractor; if necessary, draft your labor. But we  
or that; we can't discuss that.

Let us assume this: I assume that the men on the  
struction committee were patriotic men and were striv-  
it to do the best for our country.

of tools which will be required. This particular paragraph I consider an extreme weakness in the contract. I think it should be eliminated and the contractor made to buy all tools necessary at his own expense, as there will be but a limited number of tools required.

Have you any comment to make on that paragraph?

Col. OURY. Well, the idea was that the average workman should have sufficient tools; the carpenters.

Mr. McCULLOCH. Which, in truth and in fact, some of them did have.

Mr. OURY. The carpenters had, I think.

Mr. McCULLOCH. The carpenters did have.

Col. OURY. Yes, sir.

Mr. McCULLOCH (continuing reading):

5. The form of contract, except the clause relating to tools, appears to otherwise meet the needs of the Government, excepting also the rate of percentage to be agreed upon. I. W. Littell, colonel, Quartermaster Corps U. S. A.

And initialed by IWL/J.

What do you say about that paragraph; was that in the original memorandum?

Col. OURY. I don't remember.

Mr. McCULLOCH. Or was that added by the general?

Col. OURY. That may have been.

Mr. McCULLOCH. Do you assume responsibility for that paragraph?

Col. OURY. I assume the responsibility. I would like to add in connection with the contract—I would like to go on record with my views about the contract.

Mr. McCULLOCH. Alright.

Col. OURY. I was convinced then that some form of the cost-plus contract was necessary under the emergency; I have never had a sufficient reason, notwithstanding all that has happened, to change my mind. I think that some form of cost plus was the only way we could have handled it at that time. Now, may I give you some of the reasons for that briefly?

Mr. McCULLOCH. I would be glad to have them. I would be, if the chairman would.

Mr. MCKENZIE. Certainly.

Col. OURY. In the first place, we would have had difficulty in getting the bids analyzed; if we had advertised as that letter that you had me identify would indicate we contemplated doing at that time we would probably have had from 5,000 to 10,000 bids, provided the specifications could have been gotten out so that an intelligent bid could have been made at all; if an intelligent bid could have been made at all, we would have had probably 5,000 or 10,000 bids on that work. Well, the only way we could arrive at the lowest bidder was for one set of men—myself, say, and one or two of my assistants could have worked together—to have taken all those bids and gone through them and analyzed them. It would have been an interminable job. The only other way we could have done would have been to eliminate, practically what they did do, all the big men and award it to them, with practically the same result as you have got now. And then again we considered this: If we advertised this work there is every indication, and was then, that there would have been

hundreds of shoe-string bidders—men without any money at all, without any backing at all—and they would have had just as legitimate claim for attention as any other man.

We would have had to have given his bid weight until his standing was investigated and developed. We would have had hundreds and hundreds with absolutely nothing except to go in there and get a part of this Government work; because you must bear in mind that there was no other work going on in the country at that time; the only hope of any contractor at that time was to get work from the Government. Well, I believed then that it was an impractical proposition to get it advertised for and get bids analyzed and justly awarded within any reasonable time. Now, that was the factor that I had in mind—one of them. And another was that the chances would be that quite a number of them under any specifications we could get out with the changing prices of material and labor at that time, they would fall down on the job and the Government would have to take it over; and if there has ever been a mess in the Quartermaster General's office, the worst ones are the ones where the contractor has fallen down and the Government has had to take it over and complete it. We have a number that we have had for 10 years, and they are not completed yet. And I am firmly convinced in my own mind if we had not arrived at some sort of cost plus, where the Government would have gotten behind it with a system, the Government would probably have had to get behind it without a system, and it would have been interminable. These are my views. It is not a good contract. I object to the form of the contract. I was not called in on time to inject any safeguard, if I had been enough of a business man to have done that; I can't say I could. I may have had some in my mind that would have helped. But some form of a contract of that sort, I believe, was the only answer under the emergency. I don't believe they could have done it by unit cost. I don't believe they could have done it under lump-sum cost and got it done unless the Government had stepped in and finished it.

Mr. McKENZIE. What do you think of Gen. Goethal's views, that the Army engineers could have gone into this and constructed these camps?

Col. OURY. We could if they had given us the organization; I would not have any fear of building any one of these camps if the Government had given me the nucleus of the organization, and that is why they selected the big contractors, whom they thought had the nucleus of the organization which would get the work out of the men.

Mr. McKENZIE. Well, in that case, Colonel, couldn't they easily have gotten around the way it was done; couldn't they have commissioned Mr. Rogers here in the Engineering Corps and put him in the United States Army and paid him a colonel's salary?

Col. OURY. That, I believe, would have helped. I believe if the Government had got behind it—the real answer to the thing was this, in my mind, was for the Government to have done it itself without reference to the contractor; if necessary, draft your labor. But we were not ready for that; we can't discuss that.

Mr. McKENZIE. Let us assume this: I assume that the men on the emergency construction committee were patriotic men and were striving as they saw it to do the best for our country.



Col. OURY. I think so; yes, sir.

Mr. McKENZIE. As a matter of fact, they simply pushed the Army or the Army engineers and the construction engineers in the Army off the map and took possession.

Col. OURY. That is exactly what they did; they did that. And I would like to call attention to the fact of the wide discrepancy in the cost of these camps. The one at San Antonio was built for \$7,000,000; the one at Camp Lee about \$14,000,000.

Mr. McKENZIE. More than that, wasn't it?

Col. OURY. A little over \$14,000,000. Now, I wonder why the difference. I can not see it. I know this: I know the man that was detailed at San Antonio to do that work. He was objected to. I was an old-line officer and was objected to as to having no knowledge of construction, and yet he has gotten the best results of any man that was put on the work. It may have been the size of the camp; I was just looking at the figures given me.

Mr. McCULLOCH. I was very much interested, Colonel, in your statement about the large number of bidders who had been flooding the department with their proposals, and I want to say that I entirely agree with just what you said about that.

Col. OURY. I qualify that, however, with this statement, and this is, if we could have gotten out statements, that anybody could have intelligently bid on it.

Mr. McCULLOCH. Yes; I am talking now about men with organizations willing to do Government work at that time and willing to bid on it. There were thousands of them.

Col. OURY. Yes, sir.

Mr. McCULLOCH. Yet it has been contended constantly before this committee by every man who sought to uphold the cost-plus system, the great argument was that they could not get anybody to bid on it. Gen. Littell says in his testimony before the House Military Affairs Committee, Sixty-fifth Congress, second session, printed in the hearings under date of December 7, 1917, to February 8, 1918, pages 916 and 917:

Mr. ANTHONY. Do you believe this work could have been done by letting out to the lowest bidder?

Gen. LITTELL. No, sir; I do not. I do not think you could get enough reliable bids, or enough bids from reliable contractors, to have built half of the cantonments.

Again, on page 917, he says:

Gen. LITTELL. But the great majority of reliable contractors who could have done that work in the time it was required to be done would not make a bid, knowing the trouble about labor.

That was pointed out time and time again, and the Government finally fixed the labor prices, the lumber prices, and the plumbing material prices, so that the contractors, so far as our information went, were anxious to get these jobs and striving for these jobs, and willing to bid. And I think your statement that you would have had so many bids that you wouldn't know what to do with them, you had been able to get the specifications out for them—

Col. OURY (interposing). If we had got any specifications that any man could have bid on we would have been flooded with them. I am not sure we could have gotten out the specifications. I will put that in as a qualification.

Mr. McCULLOCH. You had been familiar with the shelter construction since 1914, and it is not a fine commentary on our Engineering department—and I think it ought to be made up out of the finest Engineers, for God knows we spent enough on them to educate them—it is not a good commentary on our Engineering department that they were not qualified to get out specifications and plans to build these simple shelters.

Col. OURY. As a matter of fact, we had specifications for the simple shelters; it was the plans for the water and sewers that was necessary.

Mr. McKENZIE. Isn't it a fact, Colonel, that notwithstanding the fact that we declared war on the 6th of April, that the so-called form of cost-plus contract did not get its final approval until the 1st day of June?

Col. OURY. Yes; very much to the annoyance and harrassing of the whole office. We could not do anything. That was without excuse, and we had to hound them then to get them. There was no question about that.

Mr. McCULLOCH. Colonel, following out the system that was put into effect, as I understand, the testimony shows that almost a month was taken, probably six weeks by the Emergency Construction Committee in making a survey of the contractors that would be available for this work on selection. Now, couldn't that time have been utilized in deciding whether or not the contractor, say in a certain zone, who had put in their bids for Camp Sherman or Camp Grant, couldn't you have analyzed the financial responsibility and the bids of the contractors in at least that time?

Col. OURY. I doubt it. If we had had an intelligent bid I doubt it, in that time. Then it took quite a long time to award one contract alone, and we would have had dozens and dozens of them for all kinds of work.

Mr. McCULLOCH. Yes; when advertisements were resorted to. You, of course, know that the Secretary of War declared on April 12, 1917, that an emergency existed in the meaning of section 3709, Revised Statutes, under which such emergency construction could be carried on without resorting to advertising and the taking of competitive bids. The thing I want to do is—because you appeal to me as a practical man, or I would not be talking about it—I want to reconcile the statement made by people that thought that it was an impossible thing to analyze the men who had put in a bid—that was an impossible thing, and yet you can take six weeks and go over the whole field of all contractors and determine who you are going to select.

Col. OURY. It is not an impossible feat. There is no such thing, I don't believe, if you make up your mind you are going to do it; I don't believe there is any real impossibility. But I think there would have been delays and more than there were and probably with the results not as good—not any better, if as good as those we got. I am afraid that would have been the outcome. And it was a proposition of such magnitude that nobody knew what it was until we got on top of it. We did not realize the size of it until we got to it; the contractors did not. As it was planned, I believe the American people were with us in trying to build camps that would conserve the health of the men.



Mr. McCULLOCH. The trouble is that this system delayed construction, and in one instance, we have testimony in this record, at Camp Sherman, it delayed it, with the general attitude of loafing on the job, and resulted in the men dying from the cold weather because the gas and steamfitters refused to go ahead with the work and played craps while that was going on, and that could not have occurred under proper supervision. He could have forced them to work; that situation would not have occurred under proper supervision.

Col. OURY. Proper organization; that is one of the things we tried to preach to the contractors. "You must organize for this thing."

Mr. McCULLOCH. But you have permitted that to get out of the hands of your men and into the hands of men who permitted delays. You have stated it in your letter as clearly as it was ever stated by anybody, they had an incentive to delay if ever there was any.

Col. OURY. Yes; but I don't believe these big contractors were less patriotic than I was. I think it was lack of organization on their part.

Mr. McCULLOCH. It is not my intention now to impugn the integrity of any man in this investigation, and it is not my intention to impugn any man's patriotism, but the fact is that the contractor did pull down a large amount of money in the emergency. You didn't get it. Why should he be getting on the job himself alone with his organization—why should he demand \$250,000 when you give your time for a Colonel's pay in the time of an emergency. Now, if you are going to get down to patriotism and the question of civic duty, that is a question that ought to be analyzed. Why should he be preferred over you or over the boy that leaves a \$5,000 job and goes into the army at \$30 a month? I am simply trying to find out, first, whether or not the Government was properly safeguarded by this contract, and you had to do with that; and, second, your views of the cost-plus contract system and the possibility of the Government adopting some other system that would either have been more efficient or as efficient and which would have saved the Government money rather than the losses that have been sustained under this cost-plus system. Now, as the chairman of the committee has well interjected here, Gen. Goethals was called into these conferences, and I questioned him, and Mr. Scott, the chairman of the General Munitions Board, Mr. Scott who called these meetings and I asked him to point out one single figure that compared with Gen. Goethals', and he could not point out one; and yet Gen. Goethals said it resulted in delay, but he said we always have delay and he waived that aside and he said if your construction division had got on the job we would have done it in less time; he dealt entirely with time.

Col. OURY. I believe we could have. We did not see it then; it is always easier to see behind than before.

Mr. McCULLOCH. But the point is that the greatest engineer in America did see it at that time and advised against it and he was overruled by men who did not measure up in experience to him—he was overruled.

Col. OURY. I was there, and I thought he was pretty busy fighting over what kind of ships to build. I didn't think he gave us any advice at all. I don't think he did.

Mr. McCULLOCH. He testified before our general committee, he was called in by Mr. Scott. I have it here some place; that he left his work in connection with the shipbuilding and came over and listened and was in that hearing, and that he then expressed himself as I have endeavored to quote, probably not accurately, I am not using his exact language, but those were his views, that the cost-plus system should not be adopted; that was his testimony. I do not know whether he was there, more than you do, but he swore that he was.

Col. OURY. There is another thing that I would like to say briefly in connection with our building it ourselves: you must bear in mind that the emergency took everything away from the Quartermaster General that could be taken away, right off the reel; the chief clerks and practically everybody was commissioned; the non-commissioned officers from the Quartermaster Corps were commissioned largely. There wasn't anything left for the quartermaster to build it with. It had to be built by our patriotic citizens.

Mr. McKENZIE. You probably favor a permanent commissioned personnel in the Quartermaster Corps?

Col. OURY. I favor a change in the staff myself. That is what it is for, to learn something about it.

Mr. McCULLOCH. Now, Colonel, this form of contract also calls for and required an expense that was entirely separate and apart from the cost from the amount paid the contractor, either for services as fees, material, labor, etc., such as an accounting system, checking-up system; it really, in fact, calls for an accounting system in order to safeguard the Government.

Col. OURY. Yes, sir; that was a part of it, I believe; I don't recollect the wording of the contract.

Mr. McCULLOCH. The contract didn't call for it, but the contract permitted it, for an accounting system to be put in by the Government, giving the Government the value of that.

Col. OURY. Well, that was one of the issues; I don't want it to appear I am trying to safeguard the Treasury, but I was trying to look after the interest of the Government as I saw it at that time. I opposed the overhead of those expensive accounts as unnecessary. We went too far; as far as overhead that was being accumulated around the office—they had clerks and stenographers and whatnots all over each other around the office, all on the pay roll; about one-half of them were unnecessary, and I believe one-half of them were unnecessary all that time; that was my view, so I was not in accord in a great many ways with what was transpiring.

Mr. McCULLOCH. What would you say as to the expensiveness and cost to the Government of this auditing system or checking-up system?

Col. OURY. It appeared to me it was going to be very expensive in comparison to the return to the Government.

Mr. McCULLOCH. What do you mean by return to the Government?

Col. OURY. Well, it was supposed to be a check and to keep down the expense, but it didn't have that tendency at all, and I didn't think it would, and I opposed it on the general grounds and thought that we could handle it with visiting inspectors or auditors, as other work was handled, and eliminate a big corps of accountants.

Mr. McCULLOCH. It meant a distribution of the work?

Col. OURY. Yes, sir.

Mr. McKENZIE. And the Government was paying for it all?

Col. OURY. And the Government was paying for it all. You see, the Government itself was getting nothing. It was not only paying the contractors but paying expensive men to do a lot of things that could otherwise have been done.

Mr. McCULLOCH. Now, Colonel, I want to ask you whether or not you were familiar with the various safeguards that were adopted to protect the Government under the cost-plus-system contract—and I refer specifically to the bonus for sales—were you familiar with that safeguard?

Col. OURY. No.

Mr. McCULLOCH. Did you know it was discussed and taken out of this contract?

Col. OURY. I did not.

Mr. McCULLOCH. Were you familiar with the safeguards that was placed in the way in the Navy contract—for instance, the nominal cost, either per unit or per job?

Col. OURY. No.

Mr. McCULLOCH. Did you know that particular safeguard was eliminated from the contract during the discussion; do you know that?

Col. OURY. I know that the Navy got our plans and used our buildings.

Mr. McCULLOCH. For what?

Col. OURY. For their barracks?

Mr. McCULLOCH. But you do not know under what kind of a contract.

Col. OURY. No.

Mr. McCULLOCH. Are you familiar with the safeguard that is contained in the cost or cost-plus contract?

Col. OURY. The cost-plus contract was a new thing to us.

Mr. McCULLOCH. You were not familiar with that?

Col. OURY. No, sir.

Mr. McCULLOCH. You do not know that was discussed and eliminated from this contract.

Col. OURY. No, sir; I was not called in at all.

Mr. McCULLOCH. So about all that remained of the contract when it was put in formal form was that the contractor was to; the only safeguard, if they may be so-called to the Government, was the integrity of the contractor?

Col. OURY. That is all.

Mr. McCULLOCH. And the supposed check or audit, which it has been called, as I understand it, by witnesses who appeared before this committee, as a safeguard?

Col. OURY. I wouldn't consider it a safeguard.

Mr. McCULLOCH. What did you consider it?

Col. OURY. An extra expense.

Mr. McCULLOCH. Now, did you know that after this contract was finally submitted, some little time after your memorandum had been submitted to the Colonel's staff, that the Navy withdrew and refused to give further consideration to the contract and contended it was not satisfactory because of the fact that the safeguards had been left out. Did you know that?

Col. OURY. I did not.

Mr. McCULLOCH. Colonel, you have had experience as I understand it of a practical nature in building buildings in addition to the theoretical experience you gained in the Washington office as you have detailed?

Col. OURY. Yes, sir. Well, I have done a lot of work with my hands, I have built a few, I never have been a contractor or anything of that sort.

Mr. McCULLOCH. Did you, during an emergency, and for the Army, build any buildings at Chicamauga?

Col. OURY. That was done under the same plan; I was delegated to have charge of the Regular Army, so-called construction, that meant work at Army posts, where they had to provide for the housing of recruits coming into the Regular Army with no place to live; that was all done by contract.

Mr. McCULLOCH. What kind of a contract?

Col. OURY. Well, it was a gentleman's contract until the contract came out from six to eight weeks afterwards, up to that time it had been agreement between certain contractors and the Government that some day they would be paid and that is about all there was to it.

Mr. McCULLOCH. The work was practically completed before you got the formal contract?

Col. OURY. The contract was.

Mr. McCULLOCH. Tell me what you were able to accomplish by direct supervision?

Col. OURY. I didn't supervise that directly; I went down there two or three times.

Mr. McCULLOCH. What was accomplished there? Was it built at a reasonable cost?

Col. OURY. That appears in the report of the Quartermaster General. It shows it was less per capita, somewhat less; I haven't figured it out exactly, you will find it in the report, with the number of troops involved: it is a simple matter to figure it out; what it did cost it seems to me it was less per capita; figures show they built the quarters, that involved the utilities and they were very expensive, for 20,000 men for three and one-half million.

Mr. McCULLOCH. Did that hold more than 20,000 men?

Col. OURY. Almost a division; a division, less an artillery.

Mr. McCULLOCH. What would the figures be at the other cantonments, the average cost?

Col. OURY. I haven't figured it out.

Mr. McCULLOCH. It would not be over one-half, would it?

Col. OURY. You could figure it out and insert it in the hearing.

Mr. McCULLOCH. It would not be over one-half, would it?

Col. OURY. I would be a smaller percentage less. I should say.

Mr. McCULLOCH. Well, of course, the figures are the best answer to that.

Col. OURY. Yes; take it at Fort Douglas: buildings for a brigade there, for about 7,000 men, cost about \$420,000.

Mr. McCULLOCH. \$421,000.

Col. OURY. \$421,000, but no utilities, no water or sewer system, because that was taken care of by the post: that I recollect. At least, they didn't provide any.

Mr. McCULLOCH. These that you built at Chickamauga were one-story barracks?

Col. OURY. Yes; Regular Army barracks were all one-story barracks.

Mr. McCULLOCH. At Fort Douglas the same?

Col. OURY. At Fort Douglas the same.

Mr. McCULLOCH. Only two-story barracks were used for the National Army?

Col. OURY. Yes; for the National Army.

Mr. McCULLOCH. Can you give us any idea of the comparative waste of material that resulted from the building of one-story barracks and the building of two-story barracks?

Col. OURY. I never saw any piles of waste lumber at Chickamauga, but I did see them at Camp Meade.

Mr. McCULLOCH. Meade had two-story barracks?

Col. OURY. Two-story barracks.

Mr. McCULLOCH. Chickamauga had one-story barracks?

Col. OURY. One-story barracks.

Mr. McCULLOCH. At Meade you saw large piles of waste lumber?

Col. OURY. Immense quantities of it.

Mr. McCULLOCH. At Chickamauga, what was the condition?

Col. OURY. I didn't see any. I didn't visit the camp after it was done—there may have been waste lumber there, but I didn't see any; I am not positive about that.

Mr. McCULLOCH. Give the committee some information about the condition at Meade, what the waste was there, if you can?

Col. OURY. It took all the men of the regiment about a week (3,000) to carry it off the drilling grounds, and that was just one of them.

Mr. McCULLOCH. I didn't get that.

Col. OURY. It took the whole regiment, all the men, about a week to carry it off the drilling grounds before I could start drilling.

Mr. McCULLOCH. Did you delay drilling as a result of that?

Col. OURY. Yes, sir.

Mr. McCULLOCH. Did you regard the carrying of lumber as drilling?

Col. OURY. Well, they were being inoculated at that time.

Mr. McCULLOCH. Was that all, or just a part of it?

Col. OURY. That was not; there were several other piles, I don't know how many; however, it wasn't a dead loss to the Government, because we took those short pieces, and in a good many cases they got long pieces, and built shelves and made the men much more comfortable, giving them something to put their things on and feeling more at home—it wasn't a total loss; a lot of it was burned up; there was enormous waste, I haven't heard anybody denying that; it was an enormous waste.

Mr. McCULLOCH. I think that is all I want to ask you, Colonel.

Mr. McKENZIE. Much obliged, Colonel. The committee will now stand adjourned until 9:30 o'clock tomorrow morning.

SUBCOMMITTEE No. 2 (CAMPS)  
OF THE SELECT COMMITTEE ON EXPENDITURES,  
IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,

*Rockford, Ill., Tuesday, November 11, 1919.*

The committee met at the courthouse at Rockford, Ill., at 9.30 a. m., pursuant to adjournment taken on yesterday, Hon. John C. McKenzie (chairman) presiding. Also present: Hon. Roscoe C. McCulloch.

**TESTIMONY OF ROSS P. BECKSTROM, ROCKFORD, ILL.**

(The witness duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Have you given your full name to the stenographer?

Mr. BECKSTROM. I believe I have.

Mr. McCULLOCH. Ross P. Beckstrom; is that it?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. Where do you live, Mr. Beckstrom?

Mr. BECKSTROM. Rockford, Ill.

Mr. McCULLOCH. In this town?

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. What is your business?

Mr. BECKSTROM. I am a general contractor.

Mr. McCULLOCH. Are you operating as a corporation or are you unincorporated?

Mr. BECKSTROM. We are a corporation.

Mr. McCULLOCH. Under what laws?

Mr. BECKSTROM. The State of Illinois.

Mr. McCULLOCH. For what amount?

Mr. BECKSTROM. Our corporation is for \$10,000.

Mr. McCULLOCH. When was your company organized?

Mr. BECKSTROM. Well, we have been doing contracting since 1909, I believe, but did not incorporate until 1914.

Mr. McCULLOCH. Will you, just in a few words, give us a history of your organization; that is, of your company? Did you start as a copartnership or was there other people associated with you? I wish you would just state briefly what your company has been, how you are organized, and the personnel.

Mr. BECKSTROM. We were organized as a copartnership, under the name of Beckstrom & Berganson. I believe that existed until 1912, when I bought out Mr. Berganson's interest, and in 1914 I incorporated the business; I have no partners with me in the business

and no associates with the exception of necessary stockholders to conform with the corporation laws.

Mr. McCULLOCH. You say you have been doing a contracting business; what has been the nature of it?

Mr. BECKSTROM. Well, our buildings have been mostly large industrial buildings.

Mr. McCULLOCH. You mean you have been contracting for the construction of buildings; is that it?

Mr. BECKSTROM. That has been our business entirely.

Mr. McCULLOCH. You haven't been constructing roads or anything of that kind; it has been building contracting?

Mr. BECKSTROM. The past year it has been road building, but previous to that time there was no road building at all.

Mr. McCULLOCH. Give the committee some idea of the buildings you have built; the nature of them, and so on.

Mr. BECKSTROM. Yes, sir; I can name a few of them if that is what you mean.

Mr. McCULLOCH. Just a little idea of the scope of your business.

Mr. BECKSTROM. A number of buildings for the Esson Hopkins Co., some frame and brick constructions and other reinforced concrete; we built two large buildings for the Emerson-Brantingham Co.; I believe, now, their foundry is 250 feet by 200 feet, and their machine shop is 200 feet by 700 feet, and that was a brick, steel, and tile building. We have built a number of structures that were purely reinforced concrete work, and we have completed general buildings of the type of the Midway Theater building, which involved the use of concrete, brick, and wood, and practically all the materials which enter into buildings, and we have for a number of years done a general contracting; we have built a great number of houses; we have one contract for 44 houses; the nature of our work has been general contracting, embracing all forms of building construction.

Mr. McCULLOCH. As a necessary adjunct to your business, do you have equipment?

Mr. BECKSTROM. Yes; we do.

Mr. McCULLOCH. What is the nature of your equipment?

Mr. BECKSTROM. The bulk of it is in the way of concrete mixers, but we have all the necessary equipment, such as derricks, hoists, wheelbarrows, and such equipment as is necessary and which pertains to the business of general contracting.

Mr. McCULLOCH. What kind of an organization do you have in the way of superintendents and foremen?

Mr. BECKSTROM. All contractors naturally have a great deal of pride in their own organization, and we feel that we have as efficient men as we are able to surround ourselves with.

Mr. McCULLOCH. In addition to your equipment and organization, have you financial backing sufficient to enable you to carry on such a contracting business?

Mr. BECKSTROM. Yes; we have always had sufficient money to carry on any type or class of work we have undertaken.

Mr. McCULLOCH. State whether or not your company did any work on Camp Grant.

Mr. BECKSTROM. Yes; we had a contract at Camp Grant.

Mr. McCULLOCH. What, if anything, did you do preliminary to getting the contract?

Mr. BECKSTROM. I didn't do anything.

Mr. McCULLOCH. Did you file a questionnaire with the emergency construction committee?

Mr. BECKSTROM. No; I don't believe I did; that is, previous to that time.

Mr. McCULLOCH. Will you tell the committee how you came to get this contract?

Mr. BECKSTROM. Yes; I would be very glad to do that, if you care to hear the whole story; it is a rather long story, and has no interest or bearing, I think, to anybody outside of it. A friend of Mrs. Beckstrom, a former college friend of hers, wrote us at Rockford and asked us if we would look up a certain young man in camp and give him some attention and courtesy and that she would appreciate any attention or courtesy extended him; we invited this young man to our house for dinners and entertained him as anyone else would a soldier. This young man had a very humble position in a department out there, and one day he told me this contract was contemplated to be let and the Government was looking for contractors, and he suggested that I interview the camp quartermaster, which I did; and the camp quartermaster told me he would look up our records and ability and if my statement to him was correct, in regard to what we had done in Rockford, he would recommend us for the work, and in a few days I heard from the quartermaster, saying he had recommended that the Government give us the contract, feeling that we were best fitted to do the work.

Mr. McCULLOCH. What was the camp quartermaster's name?

Mr. BECKSTROM. Col. W. O. Smith.

Mr. McCULLOCH. What was the next you heard?

Mr. BECKSTROM. I believe in a few days I received notification that we had been given the contract and I was to come out to the camp and sign the instrument.

Mr. McCULLOCH. You received that notification from whom?

Mr. BECKSTROM. Let me see; if—I believe the communication was directed to the camp quartermaster and signed by Col. Littell, quartermaster of the United States.

Mr. McCULLOCH. Having received the notice you say you went to the camp, and what did you do? Notice that you would get the contract?

Mr. BECKSTROM. Well, we went to the camp; we didn't go out immediately. I think this was in November.

Mr. McCULLOCH. Nineteen hundred and what?

Mr. BECKSTROM. 1917; and we couldn't start the work until the contract was approved and signed in Washington; of course, we made all preparations to start and I believe we went in Camp Grant about December 5.

Mr. McCULLOCH. Had you signed the contract at that time?

Mr. BECKSTROM. As I recollect, the contract was dated November 1, and signed some time between November 1 and December 5; I am not sure about that.

Mr. McCULLOCH. You did sign the contract and enter upon the work?



Mr. BECKSTROM. Yes; I did.

Mr. McCULLOCH. What was the nature of the contract—what were you to do?

Mr. BECKSTROM. I believe our contract called for the maintenance and repairs, additions and alterations to Camp Grant for a period between November 1 and April 1.

Mr. McCULLOCH. November 1, 1917, and April 1, 1918?

Mr. BECKSTROM. November 1, 1917, and April 1, 1918; I believe that is correct.

Mr. McCULLOCH. And what kind of a contract was it; a cost-plus contract?

Mr. BECKSTROM. Yes; that was the form of the contract.

Mr. McCULLOCH. The buildings were not specified?

Mr. BECKSTROM. There were no specified buildings.

Mr. McCULLOCH. You were to act under the direction and control of the quartermaster?

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. Such buildings as he might designate; is that right?

Mr. BECKSTROM. Yes; or direct.

Mr. McCULLOCH. You say that you entered into the contract and entered upon the job?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. Did you take your equipment out there?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. Were you assigned to the construction of any particular work?

Mr. BECKSTROM. Yes; a great number of various kinds of buildings.

Mr. McCULLOCH. Tell us what occurred from the time you entered upon the work and what you did and how, if at all, that contract was terminated; give us the history of what you did and how you got off the job, if you did get off the job.

Mr. BECKSTROM. Well, these buildings as quickly as the quartermaster received orders to erect a certain building he turned them over to our office and our office immediately checked up the cost of the building—what it would cost, labor and material, what it would amount to—and see if the buildings could be built within the appropriation which had been made. Very often the appropriations were not large enough; sometimes they were larger than was necessary. Then they would be submitted to the quartermaster, and if he desired to have this particular building started he would order us to proceed with the building. We would immediately start the purchase of materials for this particular building and organize the crew of men necessary to do it and proceed with all possible dispatch to complete the building in accordance with the plans and specifications and instructions of the quartermaster.

Mr. McCULLOCH. How many buildings did you build?

Mr. BECKSTROM. I don't recollect. I have a list here; if I could refer to that, I could tell you just exactly how many.

Mr. McCULLOCH. I think you had better refer to that; probably you can submit it later; give us a general statement of what it contains and then we can put it in the record later.

Mr. BECKSTROM. As near as I recollect, we had; as near as our records show—and our records are correct—we had about 53 distinct constructions at the camp.

Mr. McCULLOCH. Covering a period of what time?

Mr. BECKSTROM. That was practically during the period of the contract, from the 1st of December until, if I remember right, into possibly in May or June; I don't recollect just exactly how long it was before we finished this contract.

Mr. McCULLOCH. Your contract was from November, 1917, till April, 1918; is that right?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And you did proceed under the contract to carry on the work until May or June; is that right?

Mr. BECKSTROM. Somewhere in there.

Mr. McCULLOCH. Was your contract renewed?

Mr. BECKSTROM. No; it was not.

Mr. McCULLOCH. During the time you were engaged in this work constructing these buildings, carrying on the various operations you have referred to, was the work satisfactory, so far as you knew?

Mr. BECKSTROM. I believe our work, all the way through the camp, was entirely satisfactory in every way to the Quartermaster's Department; in fact, we have letters—we have letters from the department commending us on the way we conducted our work at the camp.

Mr. McCULLOCH. Were there any extraordinary conditions that existed during the time you were working there?

Mr. BECKSTROM. I think we built that camp under the most unusual circumstances, in regard to weather conditions; I think you gentlemen will recollect that not only in this vicinity, but I suppose the other camps suffered the same way; but in this district we had one of the severest winters Rockford has ever seen; in fact, the weather records will show it was the coldest winter in 30 years, and in addition to the severe cold, there was a great fall of snow. I might say we had to shovel Camp Grant out a number of times, digging them out from Rockford to the camp. At times we were the only ones that got into the camp, the street cars and autos not being able to run. A number of days our men frosted their faces and hands in trying to carry on our work and they suffered the severest exposure.

Mr. McCULLOCH. Did these conditions result in the necessity of your having more men than was necessary to carry on the work under ordinary conditions?

Mr. BECKSTROM. Naturally it would; for instance, just the matter of the snow; sometimes we had to shovel snow from the whole site of a building that was to put up; sometimes 3 or 4 feet of snow.

Mr. McCULLOCH. How about shifts; did you have to have additional shifts than you ordinarily would have had?

Mr. BECKSTROM. Not any more than was necessary to keep fire in the boilers and to keep heat to prevent the freezing of the concrete. In that way we had to employ men nights to keep the material warm.

Mr. McCULLOCH. Is it necessary when working on concrete work in cold weather to have more men working and more shifts than at other times?

Mr. BECKSTROM. No; that is not necessary, except the additional men needed to heat the materials and keep them covered. It takes, of course, some more men to conduct the work in winter.

Mr. McCULLOCH. Could you do the work more economically if you had men working right on along, one shift after another, than if you would delay and stop and not have so many shifts?

Mr. BECKSTROM. Well, that would depend entirely on conditions: I don't know where there would be any economical saving on the work out there by doing it in shifts.

Mr. McCULLOCH. Did you recommend three shifts?

Mr. BECKSTROM. I don't recollect that we ever did.

Mr. McCULLOCH. Now, can you give us any other facts indicating difficulties under which you worked during those winter months?

Mr. BECKSTROM. Of course, in the spring, when all the snow and frost went out of the ground, then we had nearly as intolerable conditions to get around through the mud.

Mr. McCULLOCH. Have you finished?

Mr. BECKSTROM. I was going to say in the spring we ran into all this mud; at the time we were there these concrete roads had not been built, and it was a struggle all the time to get lumber and material through, and at times the materials could not be delivered in the spring to our works on account of the deep mud.

Mr. McCULLOCH. I wish you would tell the committee whether or not, in the face of those extraordinary conditions, extraordinary cold weather, and so on, you did—you were able to maintain the organization and men necessary to carry on the work in a manner satisfactory, so far as you knew, or were advised, to the contracting quartermaster department?

Mr. BECKSTROM. Yes, sir; we had the most loyal persons in our men; it was really surprising, unbelievable, that the men would come out there every day in the winter months; they never hesitated for one instance to be on the job and to take a hold and do things; of course, that was due to the men we had directing the work and the organization we had built up; but the average workmen were due a lot of credit for the way they stayed by the work.

Mr. McCULLOCH. Were the men you secured for your organization and to carry on this work, were they local men—Rockford men?

Mr. BECKSTROM. I presume a great many of them were Rockford men, but, as you know, when the camp was being built men drifted in from all over the United States, but there was no particular activities in the building line here then, and every man that wished to work was working at Camp Grant.

Mr. McCULLOCH. But you were able to draw—from your knowledge of the men engaged in the building trade in Rockford, you were able to draw and did secure their services?

Mr. BECKSTROM. Yes; we never had any trouble in getting good men.

Mr. McCULLOCH. Good men?

Mr. BECKSTROM. Well, good and competent men and faithful men.

Mr. McCULLOCH. Did you feel you had lacked at any time during that work in organization and men necessary to carry it on?

Mr. BECKSTROM. No; I don't believe at any time we lacked in any way in our ability to conduct the work.

Mr. McCULLOCH. Had there been complaints, to your knowledge, filed with anybody against your concern for lack of organization or lack of men to carry on the work?

Mr. BECKSTROM. No; I don't believe there ever had been any such complaint.

Mr. McCULLOCH. Nothing of that kind had been brought to your attention; is that correct?

Mr. BECKSTROM. None whatsoever.

Mr. BECKSTROM. I feel quite confident if any complaint had been made I would have heard about it, because the Quartermaster Department was conducted in a high manner and I know they would have notified me if there had been anything wrong.

Mr. McCULLOCH. You got along very well?

Mr. BECKSTROM. We had the very best relations with the Quartermaster Department.

Mr. McCULLOCH. As I understand it, up until—now, as I understand, you were operating up until May under what is known as a maintenance contract.

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And that contract covered what? State it again so I can get it clear in my mind.

Mr. BECKSTROM. It covered maintenance, alterations, repairs, and additions to Camp Grant.

Mr. McCULLOCH. Were you, in fact, given the contract for additions?

Mr. BECKSTROM. Yes; we built a great number of additions.

Mr. McCULLOCH. But it is a contract known as a "maintenance contract"?

Mr. BECKSTROM. That is it; that was the real intent and nature of it, I believe, when it was given us. I have that explanation from Col. Betts, the officer in charge of cantonments at Washington; he testified in a hearing at Washington where I was present that the Government never anticipated that these buildings would be necessary and their idea was in getting local men who did not have a high overhead to conduct these operations during that period, but as time went on they found these buildings were necessary and the maintenance contractors were given the buildings to erect; in other words, they were buildings that were not contemplated in the original plan in Camp Grant or any similar cantonment.

Mr. McCULLOCH. Now, when, if at all, did you attempt to renew your contract?

Mr. BECKSTROM. Why, I believe some time in the last part of January or the first part of February.

Mr. McCULLOCH. 1918?

Mr. BECKSTROM. 1918. We found that the amount of work that we were asked to do for the compensation we were receiving was going to exceed by far the compensation the Government had provided in our contract, and we took steps at that time to see if we could not have our fee increased or be paid for this additional work so we would be compensated for our efforts in carrying it on.

Mr. McCULLOCH. Before you go to that, to the result of that effort to have the fee increased, will you tell us what you were getting under the maintenance contract and just how and in what manner you were likely to lose as a result of the fee being too small.

Mr. BECKSTROM. I wish I had brought a copy of my contract along; I could have shown that to you—the total fee of the contract. [A copy of the contract handed witness by Mr. Wessen.]

Mr. McCULLOCH. Will you read from the contract handed to you by Mr. Wessen?

Mr. BECKSTROM. Yes; I am. It states here the total fee for the contractor under no event shall exceed the sum of \$15,000. Previous in this contract it states if the cost of the work is under \$100,000 a fee of 10 per cent should be paid; for over \$100,000 or under \$120,000, a fee of \$10,000; if it exceeds \$125,000 and under \$250,000, a fee of 8 per cent. Then it goes on to say if the cost of the work is over \$250,000, a fee of \$20,000. When we took the work we discussed with Col. Smith what was really contemplated in the contract, and he told us that this fee of \$15,000 was put in there so as to be a limit on it, and the Government had planned and figured that this contract would not exceed the \$15,000.

Mr. McCULLOCH. As figured according to the schedule?

Mr. BECKSTROM. As figured according to the schedule. I further had that carried out or proved to me that that was the Government's intention by the testimony of the colonel before the commission I spoke of. He said they never had anticipated all this additional work. When we saw we were limited to this small return we took every means we could to have it changed.

Mr. McCULLOCH. You say it was going over this amount. What amount was it reaching?

Mr. BECKSTROM. It was running considerably over \$200,000. In talking it over with Col. Smith we had come to the conclusion, and he told us that this contract contemplated about \$200,000.

Mr. McCULLOCH. On which you were to have the maximum fee of \$15,000?

Mr. BECKSTROM. Yes; the way orders were coming in it looked like twice that much. In fact it was over \$116,000 more.

Mr. McCULLOCH. That would be \$316,000.

Mr. BECKSTROM. I wish I could give the exact figures instead of depending on my memory for them. There was in the neighborhood of \$116,000 of additional work that the Quartermaster ordered us to do in addition to our contract.

Mr. McCULLOCH. Were you called upon to do that work for the maximum fee of \$15,000?

Mr. BECKSTROM. We were; of course, I went to Washington and took it up with the Constructing Quartermaster and when in Washington I was referred to Col. Betts and he told me before witnesses to go back to Rockford and complete this work and he said, "When you are through with the work, make out a bill of it"; not when you are through with it, but "when you are so you can do so, you can send a bill to the Construction Quartermaster and you will be paid for this additional work," and we did do that; we came back to Rockford upon his orders and did this additional work and presented our claim in the manner in which he instructed us, but we never received the additional compensation.

Mr. McCULLOCH. Did you make an effort to have the assurance given you by Col. Betts made good?

Mr. BECKSTROM. I made every effort possible.

Mr. McCULLOCH. Give the committee the benefit; tell us what occurred and what was the result of your efforts.

Mr. BECKSTROM. When I first tried to recover these fees, I found it was nearly impossible to do so because the Government wouldn't

back up the verbal contract on the part of its representatives, and later the Government passed, in view of the fact so many contractors and manufacturers had gone ahead on verbal contracts; a great many were facing financial ruin and Congress passed an act validating these verbal contracts and providing the machinery whereby these claims could be passed, and when that was done we made every effort to present our claims in a business-like way before this board, and in talking with a member of the board and witnesses for the Government, I think they all agreed our claim was just and equitable claim, but they felt that if they allowed us this money we were entitled to that it would establish a precedent and that it would lay the Government open to many thousands of dollars; the Government had never contemplated such additional work and in order not to establish a precedent they were in a position to refuse my claim. Col. Betts, in his testimony to the Government, and I didn't think it was within his province to so testify, cautioned this claim committee not to allow this claim as a precedent would be then established.

Mr. MCKENZIE. Did it occur to you at that time when you had reached the amount of \$200,000 expenditure that you could have quit the job?

Mr. BECKSTROM. It did occur to me; Col. Betts told me that quite a number of them had done that, but he asked me to go back on the job, and I did.

Mr. McCULLOCH. Did you know that supplemental contracts had been entered into at other camps?

Mr. BECKSTROM. I knew that.

Mr. McCULLOCH. When the contractor had reached the point where he could only draw the maximum fee?

Mr. BECKSTROM. I don't believe I knew that in February, when I took the matter up in Washington; I heard that afterwards, that in a great number of instances the Government had entered into other supplemental contracts with the contractors so as to compensate the contractor for additional work, but I don't think I knew at that time, and Col. Betts is a very high-grade gentleman, and I was there as a witness, and when a United States officer, in a high position that he was, told me that, I thought I didn't need any more to work on.

Mr. McCULLOCH. You were not negligent about it; and you did take the matter up with Col. Betts, calling attention to the fact that the work was going to far exceed the amount specified in the contract?

Mr. BECKSTROM. Yes; I even left with him a copy of the cost of the construction and the amount of work ordered and the amount of work the quartermaster had record of; showed him the appropriation the Government had made and showed where it would exceed the appropriation; I not only gave a copy to Col. Betts, but to Col. Sawyer and Maj. Mulloney, because they were interested in that at the time I was there.

Mr. McCULLOCH. Was the contract and the estimated amount; the estimated maximum amount, based upon the figures and estimates of Army officers?

Mr. BECKSTROM. Yes; I believe every building that came out, but I am not sure of every one, but I am quite sure most of them

came out with their approximation; in other words, I presume they had estimators in Washington that made estimates on each building, and that is the way it came to us, and it was our duty to check it up to see if the buildings could be built within that cost as estimated.

Mr. McCULLOCH. Somebody must have arrived upon a conclusion upon same basis of calculation, in reasoning that the sum total of the contract and the work you were to do wouldn't exceed \$200,000; is that right? Somebody must have arrived at that conclusion.

Mr. BECKSTROM. The Government never anticipated that the contract would exceed \$200,000. I think the contract was fair, that they expected that was the amount of work I had to do. But, of course, there was an emergency existing and it far exceeded it; I wouldn't have done it for a private individual but for the United States; there was a war on and I thought it was my duty to do it, but I never would have for a private individual; do \$100,000 worth of work and not get pay for it.

Mr. McCULLOCH. I want to get this clear in my mind. The error, if there was an error, in the making up of the contract was not due in fixing the maximum amount of \$200,000; was not due to your estimate, because you did not have the facilities for estimating it?

Mr. BECKSTROM. They anticipated and believed firmly in Washington that it would not come to \$200,000; I have the word of officers in Washington telling me that was the case; they believed that the repair or maintenance over the period of time would not exceed over \$200,000.

Mr. McCULLOCH. That was a subject of discussion when you signed the contract?

Mr. BECKSTROM. That was a subject of discussion when I signed the contract.

Mr. McCULLOCH. And you entered into the contract with the understanding that it wouldn't exceed \$200,000? Is that right?

Mr. BECKSTROM. That was our understanding in the matter.

Mr. McCULLOCH. As it turned out, it did exceed it to the amount of \$116,000. Is that correct?

Mr. BECKSTROM. Yes, sir; that is correct.

Mr. McCULLOCH. And you brought the matter up that it was exceeding it to the proper officers and you received the assurance that you would be paid for it.

Mr. BECKSTROM. I did.

Mr. McCULLOCH. You went ahead under that assurance, which was verbal, and did the work and the Government refused to compensate you for it; is that correct?

Mr. BECKSTROM. That is correct.

Mr. McCULLOCH. Was any complaints made during this discussion or any claims made that the work was not done in a workmanlike manner?

Mr. BECKSTROM. No; witnesses before the Government, Col. Betts, who had complete charge of the work, and I think Maj. Charles here can bear me out that our work was entirely satisfactory to the Government in every way.

Mr. McCULLOCH. Let's proceed to the sequel of this thing. Later on you endeavored to secure another contract, did you not?

Mr. BECKSTROM. I will say we didn't endeavor to secure it; sometime in February I was called into the construction quartermaster's

office and told the Government had authorized him to proceed with half a million worth; \$500,000 additional work at Camp Grant.

Mr. McCULLOCH. Where was that office; let's fix the time and place of the conversation—at Camp Grant?

Mr. BECKSTROM. At the camp.

Mr. McCULLOCH. You talked with Col. W. O. Smith?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. About when was it?

Mr. BECKSTROM. I should judge it was possibly in the first week in February.

Mr. McCULLOCH. 1918?

Mr. BECKSTROM. Yes; I believe I have the date here. It was in the second week in February—about the 12th.

Mr. McCULLOCH. Now, you had a conversation with him, and tell us just the circumstances of it.

Mr. BECKSTROM. He called me into the office and showed me a telegram he had received in regard to \$500,000 additional work at Camp Grant. In this telegram the construction quartermaster asked if the present contractor was satisfactory, and if he had the organization necessary to go ahead and take on the additional work.

Mr. McCULLOCH. The present contractor; they were referring to you?

Mr. BECKSTROM. Ross P. Beckstrom Co.

Col. Smith asked me if I desired to have this contract and was in a position to go ahead and do it, and I told him we were. He assured himself we could handle this work, and he wired Washington recommending that the contracting quartermaster give us this work. I asked him what that would mean, and he said when a camp quartermaster would recommend a contractor to Washington he felt very confident, and it was always the case, that his superior officer would concur in the matter of his recommendation, because he was here on the work.

Mr. McCULLOCH. That is the Construction Quartermaster Department?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. Did he say anything about the emergency construction committee?

Mr. BECKSTROM. No; he did not.

Mr. McCULLOCH. He was referring to his superior in the Quartermaster Department?

Mr. BECKSTROM. He was referring and dealing with his superior in the Quartermaster Department at Washington.

Mr. McCULLOCH. Now, what occurred?

Mr. BECKSTROM. He told me it was unusual, under those circumstances that his superior would concur with his opinion, and we could feel assured that the contract for the additional work at Camp Grant was ours, and he asked us to immediately take on this great amount of work; to get the men together, so when the orders came through to proceed that we would be in a position to start immediately, without any delay, because there was a great necessity and a great rush for these hospitals. It seems the hospitals provided were not large enough to take care of the camp, and they needed them; so we immediately started out to do that, and were ready to proceed with the contract, and had every assurance from the



Quartermaster Department that we would be given the work and go ahead with it. The change came later.

Mr. McCULLOCH. About how much later?

Mr. BECKSTROM. Oh, I should judge a week.

Mr. McCULLOCH. That would be about what date, then?

Mr. BECKSTROM. Well, that would be about the 18th probably, or 19th; a week later Col. Smith sent for me and told me that things didn't look just right to me. He says, "I am afraid politics is playing too important a part in this war, and things are getting upset pretty badly," and he said, "I don't know if I can do anything for you," and he said, "I believe you had better go to Washington and take it up direct and see what happens."

Mr. McCULLOCH. May I interject; did he indicate in any way what had happened to bring him to the conclusion you should go to Washington; had something interfered there to nullify his recommendation?

Mr. BECKSTROM. Yes, he feared, as I stated, that his recommendation—he did not say that they had not been accepted, but he felt they would not be, and he said he thought it very necessary that I take my case directly to Washington and present it there, because he felt there was something that had come in there that had prevented the usual course that had been followed by the Government.

Mr. McCULLOCH. Did he tell you how he came to that conclusion; whether there had been communications sent to him?

Mr. BECKSTROM. He didn't, but evidently he must have had some communication in some way that his recommendations were not to be carried out.

Mr. McCULLOCH. What did you do then?

Mr. BECKSTROM. I proceeded immediately to Washington and took up the matter with the Construction Department, and I was again referred to this same Col. Betts, who was at the head; had charge of the cantonments in the United States.

Mr. McCULLOCH. This was about what time?

Mr. BECKSTROM. This was February 21, 22, 23, I believe, that I was in Washington. I know I was there February 22, on the holiday.

Mr. McCULLOCH. You saw him?

Mr. BECKSTROM. I saw Col. Betts and he said—I can't recollect all the conversation. It would not be right for me to try and recollect it in justice to he or I.

Mr. McCULLOCH. If you can't recollect the exact words, give the substance.

Mr. BECKSTROM. When I came there he said, "We have received Col. Smith's recommendation and have received the highest recommendations of your firm and your ability to do this work." He said, "The War Department wants you to do it." He said, "I want you to do it." But, he said, "There has been a committee created called the emergency committee to which the Government officers must submit the names of the contractors whom they wish to give contracts to." In other words, the War Department, their judgment was null and void; their hands were completely tied. He said, "We sent your recommendations together with our approval of them down to the emergency committee." Col. Starrett, a former contractor, was at the head of the committee. He said, "It went down there

and when it came back your name had been scratched off and the name of Henry Ericsson Co., substituted," and he said, "We are helpless to do anything for you."

Mr. McCULLOCH. Was anything further said; was anything further said?

Mr. BECKSTROM. The colonel said he regretted very much that the War Department couldn't conduct the business of the Government in a businesslike way and in the way it had been doing it, and that these interferences should come, and he expressed regret to me, and I asked him if it was good business when an organization was on the ground doing the work and had the organization and ability to do it that they bring in an outside organization and have two big organizations on the ground, and he said, "No; it is not good business." I said, "In private business, when you do your work well for anybody, you are usually compensated when they have additional work to do by getting the additional work," and he said, "The Government doesn't conduct their business the way private individuals do," and that he was sorry that such things should exist in times like this, and he simply expressed his regret for the outside interference.

Mr. McCULLOCH. After you had finished your conversation with Col. Betts, where did you go, if anywhere?

Mr. BECKSTROM. He suggested that I go down and talk to the emergency committee, which I did.

Mr. McCULLOCH. Tell us just when you went there and who you saw?

Mr. BECKSTROM. I believe I went there the next day; I couldn't see anybody. On the 22d it was a holiday.

Mr. McCULLOCH. The 22d of February?

Mr. BECKSTROM. Yes; in the War Department everybody was busy at work. After I left him we came down where they weren't on the job; this was a building off to one side where the emergency committee and Council of National Defense were housed, and I was referred to a Capt. Granger, of Chicago, of the firm of Frost & Granger, an architect, and I asked him why the emergency committee had stricken off our name, in view of the fact that we had the recommendation of the Quartermaster Department, which was in a position to judge our work. I put the same questions to him that I put to Col. Betts, and he said, "Mr. Beckstrom," he said, "I am sorry to say the Government is not doing its work in a business manner." He said, "I regret very much to see you lose this work, but political influence bearing on the work is so great that we couldn't give it to you."

Mr. MCKENZIE. Did he tell you who was bringing political influence to bear?

Mr. BECKSTROM. No; he didn't; he said there was a tendency to divide the work up among certain interests, and the interests were very manifest; he didn't really tell me who it was.

Mr. McCULLOCH. Will you tell us all you did say on that subject as near as you can recollect it?

Mr. BECKSTROM. When we first came in there he wasn't very talkative, and he didn't want to discuss it at first, and I put the proposition right up to him how we had been here at the camp and we had the method and our ability to do this work, and, as I stated before, I talked right up to him, and I said, "Does that look like a just,

equitable proposition?" And I said, "Would you do that in your private business?" And he said, "No"; he wouldn't do it; but that they couldn't do things the way they wanted to do them.

Mr. McCULLOCH. By "they" who do you think he meant?

Mr. BECKSTROM. I suppose his associates on the emergency committee.

Mr. McCULLOCH. Now, was there anything else said at that time?

Mr. BECKSTROM. Why, I believe—

Mr. McCULLOCH. I mean with this captain. I want to get this as complete as I can get it.

Mr. BECKSTROM. I believe what I stated covers all our conversation with Capt. Granger.

Mr. McCULLOCH. Did you request or desire to see anyone else or indicate a desire to see anyone else?

Mr. BECKSTROM. I tried a good many times to see Col. Starrett, but never was able to see him except once, and that was in his New York office.

Mr. McCULLOCH. When was that?

Mr. BECKSTROM. I believe—I can't recollect the date, but it was a considerable time afterwards that I saw him in his New York office.

Mr. McCULLOCH. Did you indicate the desire in your talk with the captain that you wanted to see Col. Starrett?

Mr. BECKSTROM. Not only with him, but I tried every way I could to see him.

Mr. McCULLOCH. Tell what you did.

Mr. BECKSTROM. I would ask to see the colonel, and I always would be referred to a captain and was never able to see him; the colonel refused to see me at all times. He was so big and so far away that it wasn't possible for Col. Starrett to talk to me.

Mr. McCULLOCH. Did you see any other member of the emergency construction committee?

Mr. BECKSTROM. Yes; I saw quite a number of them.

Mr. McCULLOCH. Who did you see?

Mr. BECKSTROM. I saw Maj. Foster.

Mr. McCULLOCH. Clair Foster?

Mr. BECKSTROM. I don't know his first name.

Mr. McCULLOCH. A tall, thin man?

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. What did Maj. Foster say to you?

Mr. BECKSTROM. Well, I don't recollect anything in particular of my conversation with Maj. Foster.

Mr. McCULLOCH. Did you tell him about the circumstances and ask why you were not—had not been—recommended? Did you tell him the circumstances, or was it your purpose in calling upon him to talk about the contract or something else?

Mr. BECKSTROM. Yes; it was; but I don't recollect any particular conversation with Maj. Foster at this time.

Mr. McCULLOCH. Did Foster say he thought you ought to have the contract?

Mr. BECKSTROM. No, sir; he never did.

Mr. McCULLOCH. Did he say he thought you should not have it?

Mr. BECKSTROM. No; he never said that.

Mr. McCULLOCH. Did he give any reason why the other fellow should get it, the other contractor?

Mr. BECKSTROM. No; I don't believe that he ever did.

Mr. McCULLOCH. Who else did you see on the emergency construction committee?

Mr. BECKSTROM. Those are the only two names I can recollect, but there were others I was referred to when I came up to see Col. Starrett, but those are the only two names I can remember.

Mr. McCULLOCH. Those are the only two names of the men that you can remember of the members of the emergency construction committee that you talked to?

Mr. BECKSTROM. Yes, sir; except the colonel; I saw him once.

Mr. McCULLOCH. Where was he?

Mr. BECKSTROM. In New York.

Mr. McCULLOCH. Was that in the Starrett, Van Vleck office?

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. When was that conversation?

Mr. BECKSTROM. I can't recollect the date of that.

Mr. McCULLOCH. Was it subsequent to your conversation with Capt. Granger, at Washington?

Mr. BECKSTROM. No; yes; subsequent.

Mr. McCULLOCH. Was it on the same trip or another trip?

Mr. BECKSTROM. Another trip.

Mr. McCULLOCH. How much later would you say?

Mr. BECKSTROM. It might have been 30 days later.

Mr. McCULLOCH. Will you tell us; just tell the conversation you had with Col. Starrett in New York at that time?

Mr. BECKSTROM. Why, it wasn't a very lengthy conversation. Col. Starrett said, "Your work is entirely satisfactory in every way, and, as far as we are concerned, we would like to have you have it, but we have to divide these things up. You have had some work out there, and we want to pass it around and give it to somebody else."

Mr. MCKENZIE. Did you know at that time they had given more than one contract to other companies?

Mr. BECKSTROM. Yes; I called attention to Dodge, where they gave the home contractor the first contract and gave them another contract, the hospital contract; they couldn't quite face how that was done, but they had to acknowledge it, because I had the facts. The only excuse Starrett could give was that they had to pass these contracts around.

Mr. McCULLOCH. In that connection did you point out to Col. Starrett that you were on the job with an organization?

Mr. BECKSTROM. I certainly did.

Mr. McCULLOCH. Did you point out to Col. Starrett what you had said to the captain; that, in your judgment, it was to the interest of the Government not to have two organizations on hand.

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. Did you point out to Col. Starrett that you were on the job with an organization?

Mr. BECKSTROM. I certainly did.

Mr. McCULLOCH. Did he admit it?

Mr. BECKSTROM. He had to admit it.

Mr. McCULLOCH. Did he do it?

Mr. BECKSTROM. Surely.

Mr. McCULLOCH. He said your work was satisfactory?

Mr. BECKSTROM. Entirely so.

Mr. McCULLOCH. And he gave as his excuse for not recommending you that he had to pass the work around?

Mr. BECKSTROM. That is about his words. That he had to pass it around.

Mr. McCULLOCH. Did you ask him anything about the reason for giving it to the other contractor?

Mr. BECKSTROM. Yes; I asked him why they did, and he said they were able to do it, he thought, and that they were able to do the work.

Mr. McCULLOCH. Did he indicate who it was that wanted them to have the work?

Mr. BECKSTROM. No; he did not, if I recollect it correctly.

Mr. McCULLOCH. You had been told that political influence was being brought to bear?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. In securing the recommendation of the committee—you had been told that?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. Was it political influence or was it business influence?

Mr. BECKSTROM. Well, it was. I don't know; it was outside influence. I don't believe it was said whether it was business or political influence.

Mr. McCULLOCH. I understood you to say there was certain interests that had to be taken care of?

Mr. BECKSTROM. No; I don't believe I said any certain interest had to be taken care of.

Mr. McCULLOCH. Was it evident to you that something was interfering that kept you from getting that contract?

Mr. BECKSTROM. Yes, sir; all kinds of pressure brought to bear to prevent us getting the contract.

Mr. McCULLOCH. Did you go into it sufficiently to be satisfied in your own mind what this influence was that stopped you from getting this contract?

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. Tell us your conclusions and what you based it on?

Mr. BECKSTROM. I believed there was certain political influence brought to bear. You can only tell those things by observation. I know when you are in Washington you meet a lot of people. Some people know lots and some know nothing. There was lots of influence about this work. Simon O'Donnell, of Chicago, a labor-union leader and politician there, was very active on behalf of the other contractor, and I was told by people in Washington that the reason the work had to be passed around this way was because on this board there were certain labor representatives. I believe the name of the labor representative was John Donlin, and that Col. Starrett wanted to give certain work to Donlin to vote for a certain friend of Starrett's, and that Simon O'Donnell had enough influence to bear on Donlin in order that he pass the work on to the Chicago contractor. That is as near a line as I could get on it. Of course, I knew there was other influence brought to bear, but I think

that was the most significant—the influence by Simon O'Donnell and this man Donlin. Of course, that is a matter that is hard to prove, but it was a matter of common hearsay and talk in Washington.

Mr. McCULLOCH. In this war the use of the term "political influence" has been considerably abused, and I want to get the distinction between business and political influence; whether or not they were appealing to officers of the Government to bring political influence to bear to have contracts let or whether or not it was business influence that was controlling the letting of contracts. Men you have mentioned here are not politicians, but contractors who were holding political positions on the emergency committee. They were dollar-a-day men; a-dollar-a-year men?

Mr. BECKSTROM. I don't know.

Mr. McCULLOCH. Donlin is a member of the emergency committee; he represents the trade-unions from Chicago?

Mr. BECKSTROM. The lathers.

Mr. McCULLOCH. You say influence was brought to bear, according to your information, by representatives of the trade-union of Chicago upon Donlin?

Mr. BECKSTROM. Simon O'Donnell's influence upon Donlin.

Mr. McCULLOCH. On the matter of trading back and forth in the committee, can you give us anything more on that subject? Any more information on that point?

Mr. BECKSTROM. Not any more, but it is common hearsay and talk that Col. Starrett divided this work up, the original work, particularly among certain groups of large contractors, and it was done under the guise of patriotism to the United States; there was a lot of good contracting firms in the United States and lots of firms very much more competent than the ones who did it who didn't get any work. It goes to show that the best interests of the Government was not always looked after in the letting of this work; that might be due to poor judgment, but it is more apt to be due to political or business influence.

Mr. McCULLOCH. The information brought to the attention of the committee to-day, in my opinion, has a very important bearing on the form of contracts; if members of the emergency construction committee were interested in having certain contractors favored, that same interest might have been brought to bear in the preparation and final adoption in the form of the contracts, which that committee also did. They not only selected contractors, but, in fact, according to testimony brought out before this committee, their views were adopted over the views of Gen. Littell; their views did finally prevail.

Mr. BECKSTROM. I believe this is true. I think the officers of the United States Government were opposed to this form of contract.

Mr. McCULLOCH. What is that?

Mr. BECKSTROM. I believe the United States officers were opposed to this form of contract; I believe this form of contract was evolved by outside interests and not by the Government itself, because it is certainly a radical departure from the way the Government does handle it in ordinary times.

Mr. MCKENZIE. I was simply going to ask you, Mr. Beckstrom, in connection with your statement that Simon O'Donnell interfered

in this matter in letting this contract for Mr. Ericsson and getting you shut out; did you hear anyone else connected in that matter?

Mr. BECKSTROM. I know he did because he made personal trips to Rockford and tried to bring some influence to bear; he had a conference one night at the Nelson Hotel with Mr. Brantingham, one of the largest manufacturing men of the city; I know he was interested in it.

Mr. McKENZIE. Did you hear of anyone else taking a hand in the matter, for either political or business reasons?

Mr. BECKSTROM. Well, I heard Senator Lewis was very active in behalf of the contractor who resided in Chicago and I have every reason to believe he was.

Mr. McKENZIE. Did you hear of anyone else?

Mr. BECKSTROM. I believe that is all that I know came in contact with him.

Mr. McCULLOCH. I hand you a letter, dated August 22, 1918, in the form of a memorandum, signed by W. A. Starrett, colonel, Quartermasters Corp, chairman committee on emergency construction, ask you if you have seen that before and if you can identify it.

Mr. BECKSTROM. I don't believe I have seen this letter; this refers to a later contract.

Mr. McCULLOCH. In connection with your testimony I want to read this letter into the record and I want to say this letter was taken from the files of the War Department; files of the Council of National Defense, by Mr. Wesson, representing Subcommittee No. 2, Select Committee on Expenditures, War Department, and the letter is signed "W. A. Starrett," and I am informed by those familiar with W. A. Starrett's signature that it is in fact his signature; that the signature to this letter is in fact the signature of W. A. Starrett. [Reads as follows:]

Memorandum for Mr. Charles A. Otis, director, resources and conversion section.

From: Col. W. A. Starrett, chairman committee an emergency construction.

1. Again referring to the matter of Ross P. Beckstrom and his desire to get a contract at Rockford, Ill., I beg to inform you as follows: On August 9, 1918, this committee recommended that the contract for the enlargement of the camp, estimated to cost \$5,600,000, be awarded to Henry Ericsson Co. Beckstrom had previously been recommended for the maintenance contract at the camp after Bates & Rogers had finished the original construction work.

Mr. BECKSTROM. This letter does not refer to the contract we have been discussing. This refers to the second contract given the Ericsson Co.

Mr. McCULLOCH. Were you seeking a second contract then?

Mr. BECKSTROM. This is the second contract.

Mr. McCULLOCH. I will read the letter into the record and then question you about that contract. [Continues reading letter.]

Beckstrom did his work very well, but the work under consideration required an organization of wider experience and more executive ability than Beckstrom possessed. Ericsson has already done considerable work on the job and, as a matter of fact, is there now with his organization finishing up the contract to which he was assigned. Beckstrom has nobody on the job, but is a resident of Rockford and no doubt has the nucleus of his organization there.

2. We are held to strict accountability by the Assistant Secretary of War to see that the Government takes the fewest possible chances in its large building operations. Beckstrom offers a new and tried organization, built up of very excel-

lent business men of Rockford, but there is nothing to indicate that they have had wide experience in the handling of large building contracts. Moreover, we have interviewed Beckstrom on several occasions and have a file of correspondence from him. His interviews and the correspondence we have are contradictory, to say the least.

3. The fact that he is recommended by an officer (Smith by name) who has something to do with the management of the cantonment is only valuable when we know the quality of Smith's judgment. We are glad to learn from you that people of Rockford think he is excellent. However, the principal officers in the construction division, to whom we go for our information, have not made the enthusiastic indorsement of Beckstrom which would warrant our overriding the records in the case and the fact of his meager experience.

4. There is much allegation that labor conditions will somehow be disturbed by bringing in an outside contractor. Our experience is that labor conditions, if disturbed at all, are disturbed by the operation and not by the individual contractor. If there is a shortage of labor in Rockford, additional labor will have to be brought in from the outside. If there is plenty of labor in Rockford, any contractor going in there will naturally use it. Under present conditions, no contractor is allowed to either raise or lower wages without the consent of the constructing quartermaster, who in turn has to refer all matters dealing with the labor problem to the War Labor Policies Board under the Department of Labor.

5. Under the circumstances herein recited, we do not feel warranted in making any change in our recommendation and, as a matter of fact, we feel that the Government is apt to get better service by using the Henry Ericsson Co., an experienced concern used to handling large affairs, than it is by taking Beckstrom and his newly formed organization.

Mr. McCULLOCH. Now, as I understand it, the conversation we had detailed here related to a contract that approximated \$500,000.

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And you were denied the recommendation of the emergency construction committee, or you were not given their recommendations?

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. But Ericsson & Co. were given it?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. At that time that was a \$500,000 contract?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. At that time you were on the job?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. With your organization?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And they were not on the job?

Mr. BECKSTROM. They were not on the job.

Mr. McCULLOCH. Yet you were not recommended?

Mr. BECKSTROM. No.

Mr. McCULLOCH. And they were recommended, is that correct?

Mr. BECKSTROM. Yes; we had the organization, the men, and everything right there.

Mr. McCULLOCH. So the argument he presents for Ericsson & Co. on August 27 being on the job applies to you when you were seeking that \$500,000 contract?

Mr. BECKSTROM. Yes; and that is the argument we used.

Mr. McCULLOCH. Ericsson was given the \$500,000 contract, and you were gotten off the job?

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. As I understand you, you did seek to get the larger contract?



Mr. BECKSTROM. Yes; we did; that letter is very significant of Col. Starrett; he was always able to find very plausible excuses; he is the past master of that art.

Mr. McCULLOCH. How about his statement contained in the letter "Beckstrom offers a new and untried organization built up of very excellent business men of Rockford, but there is nothing to indicate that they have had wide experience in the handling of large building contracts;" was your organization untried so far as your Rockford work was concerned, or Camp Grant work was concerned?

Mr. BECKSTROM. I don't think so.

Mr. McCULLOCH. Your work met with the approval of the officers in charge?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. Under trying circumstances which in all probability wouldn't confront a contractor in carrying out the contract being discussed in August 22d's letter?

Mr. BECKSTROM. Please state that again.

Mr. McCULLOCH. Your organization was tried out under circumstances that were extraordinary?

Mr. BECKSTROM. Yes, sir; very extraordinary.

Mr. McCULLOCH. And you came out with the complete approval of the officers of the Government?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And the officers in charge were very competent in your opinion?

Mr. BECKSTROM. Yes, sir; very competent officers.

Mr. McCULLOCH. So your organization was a tried organization and not an untried organization; is that it?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And the contract you were seeking to carry on how is that different from the contract you had carried out?

Mr. BECKSTROM. No difference whatever.

Mr. McCULLOCH. And it isn't probable you would confront, under that contract the same weather conditions that confronted you in your original contract?

Mr. BECKSTROM. No; their work was conducted under the most ideal weather conditions; during the summer months.

Mr. McCULLOCH. Will you tell the committee just what you did to get this; just what you did in your efforts to get this second contract of which Starrett refers to in his letter dated August 22, 1918, which I read into the record, which was the second Ericsson contract?

Mr. BECKSTROM. In our first contract we put it up to the Government in a straight, businesslike manner; we saw it had no effect; when we tried for the second contract we asked certain friends we had in Rockford, business people, to write to the officials of the Government or the War Department and asked their consideration of a local firm; the people were feeling as long as there was competent men in Rockford to do this work they shouldn't go outside because—and they were serious about it—the camp in Rockford has been a great detriment in lots of ways to Rockford in a big industrial city; lots of men did interest themselves and upon my request wrote to Washington about it.

I didn't like to have anybody want to go after a contract in that manner; it wasn't just the way I was used to having people ask for

them. We felt that we went after the contract in a very business-like manner; we asked high-grade business concerns at Rockford, who knew our ability, openly and above board, to write to Washington and state the conditions as they existed here, and a great number of them did, but business and other things of that kind had no bearing in any way on the emergency committee.

Mr. McCULLOCH. When were you notified that you wouldn't receive this contract? Or were you notified?

Mr. BECKSTROM. I don't know really that we were ever notified that we would not receive it. I know the only notification we had was that the Henry Ericsson Co. had been given it; they never took any pains or never did in any way notify us that we would not receive it.

Mr. McCULLOCH. Did you go to Washington on this second contract?

Mr. BECKSTROM. Yes; I did.

Mr. McCULLOCH. Who did you see at that time?

Mr. BECKSTROM. At that time I saw, of the emergency committee, I think the only man I saw then was Maj. Foster. There were some other men there, but that is the only man I recollect.

Mr. McCULLOCH. Can you tell us the conversation you had with Maj. Foster.

Mr. BECKSTROM. At that time there was rather lengthy discussion, and we took it up with him, and he said the emergency committee had made up their minds to give this work to the Ericsson Co., and they didn't intend to change their minds; they didn't give a damn whether everybody in the United States wanted to have that contract (this was Foster's own statement), they were going to give it to the Ericsson Co. anyway, and that was just about the crux of it.

Mr. MCKENZIE. In trying to get the first contract, as I understood, you depended almost solely on your own efforts?

Mr. BECKSTROM. I did, sir.

Mr. MCKENZIE. In your second attempt you had the backing of the chamber of commerce and of all the leading business men in the city of Rockford?

Mr. BECKSTROM. I don't suppose we had the backing of all of them; I don't believe I had the opposition of any of them, to my knowledge; but great numbers of people interested themselves in my behalf, because I have lived here all my life and the people know me, and they naturally take pride in Rockford and like to see the work come here, of course.

Mr. MCKENZIE. And you brought that influence to bear on the emergency committee?

Mr. BECKSTROM. Yes, sir.

Mr. MCKENZIE. But you met the same autocratic rule that you did the first time, notwithstanding the fact that the people of this community were interested in having you receive the contract and notwithstanding the further fact that the work under the contract that you did have had been perfectly satisfactory to the Government? Is that a fact?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And when the Ericsson Co. came upon the ground to enter upon the work under their first contract, did they bring any organization here?

Mr. BECKSTROM. Why, I don't know just exactly what organization they had. The only two men that I know that they brought to Rockford was Mr. Walter Ericsson and his superintendent, a man by the name of Larson, if I remember correctly; but, aside from that, I don't know whether they brought anybody else here or not.

Mr. McCULLOCH. How did they develop their organization, if you know?

Mr. BECKSTROM. Well, I suppose they went about it just like anybody else would have to do—they hired men as they could. Of course, they had our organization there and they took a great number of the men we had. As you know, at that time all building work had been curtailed and they hired our superintendents and foremen to proceed with the work.

Mr. McCULLOCH. As a matter of fact, they absorbed your organization?

Mr. BECKSTROM. Practically in its entirety.

Mr. McCULLOCH. You had built up your organization and had the men on the job; is that right?

Mr. BECKSTROM. Yes, sir; and they had this new work and naturally they took our men and there wasn't any other work going on except Government work. The Government had discouraged all other work.

Mr. McCULLOCH. So that the building of an organization by Erickson under the circumstances was a comparatively small job. Is that right?

Mr. BECKSTROM. Well, there wasn't a great deal of effort required, of course. When the Ericsson company came there they didn't have anybody; we got the orders from the Government to build their office there.

Mr. McCULLOCH. Do you know whether the Ericsson company carried out their contract with their own organization or whether they had subcontractors in any of these?

Mr. BECKSTROM. I don't believe that they had any subcontractors. I think the Government supervised, as near as I know, the letting of the heating and the plumbing. They might have had the letting of the plumbing contracts, of the heating contract, but as far as that is concerned I wouldn't be in a position to state whether they had subcontractors or not.

Mr. McCULLOCH. You don't know whether the Ericsson company had subcontractors or not?

Mr. BECKSTROM. No, I don't; I know there were two contractors on there, the Kehm Bros. Co. and the Carboy Co., but whether the Erickson Co. let out these contracts or not I don't know. They would be considered as subcontracts.

Mr. McCULLOCH. I am making reference to the second contract.

Mr. BECKSTROM. Yes.

Mr. McCULLOCH. And according to the information offered in evidence there were six contracts let by the Henry Ericsson Co. of Chicago?

Mr. BECKSTROM. Well, I wouldn't know about that.

Mr. McCULLOCH. I am mistaken; there are five subcontractors, which would be six contracts, with the original.

Mr. BECKSTROM. Well, we had a complete organization; we didn't let any subcontracts.

Mr. McCULLOCH. That is just what I want to get at. First, I want to get to these subcontracts and the first contract was let to Henry Erickson & Co., that is the original contract, and a subcontract for plaster and lathing to Zander-Reum Co., the plumbing was let to M. J. Corby Co., electrical work to Henry Newgard Co., roads to Kensley Bros., steam heat to Kehm Bros. Co., so that there were six contracts, the original and the five subcontracts?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. State whether or not you were in a position to handle this work yourself. Your organization.

Mr. BECKSTROM. I believe we could have handled it very satisfactorily.

Mr. McCULLOCH. Without letting a subcontract?

Mr. BECKSTROM. Just as well as not. I don't see any occasion to subcontract it.

Mr. McCULLOCH. You are, of course, familiar with the provisions in the contract.

Mr. BECKSTROM. Yes. When you subcontract all these to subcontractors they all have to make their profit and that makes an additional expense to the Government.

Mr. McCULLOCH. And you were in a position to handle this work without subletting?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And in that way would have been able to have saved to the Government these items which went to the subcontractor; is that right?

Mr. BECKSTROM. Well, those were the facts we tried to bring before the Government in presenting our claim.

Mr. McCULLOCH. Did you bring that fact to the attention of the Emergency Construction Committee.

Mr. BECKSTROM. We did.

Mr. McCULLOCH. And in the face of that representation upon your part which was sustained and supported by the business interests of Rockford and in addition to the fact that you had completed a contract satisfactorily for the Government at Camp Grant, in spite of all that this contract was let to the Henry Ericsson Co., who let five subcontracts under their original contract?

Mr. BECKSTROM. That is correct.

Mr. McCULLOCH. State whether or not when the original contract was let for Camp Grant to Bates & Rogers, you made any effort to get the work?

Mr. BECKSTROM. No; I did not.

Mr. McCULLOCH. Would you have been willing as a contractor to have bid on the work if you had had opportunity?

Mr. BECKSTROM. Why I suppose that I would have been willing to if I had had the opportunity but of course the magnitude of that work would have prevented our firm from performing it without going out and getting assistance with which to do it.

Mr. McCULLOCH. What would you say as to whether or not at that time it was a practical proposition to let the contract under the bid system?

Mr. BECKSTROM. Why I believe the Government could have let contracts at that time by bids, because there was a great surplus of labor, as you know. Later I suppose it would have been more difficult but then there was an abundance of labor and the contractors are a daring crowd and they would have bid that work in, there is no question.

Mr. McCULLOCH. Material prices were more or less fixed as they went along?

Mr. BECKSTROM. Yes; they were.

Mr. McCULLOCH. There was very little construction going on in the country which increased the volume of labor available?

Mr. BECKSTROM. Well, the prices of labor and material were of course fixed by the Government. They could have been fixed under a competitive contract just as well as they could have been under a cost-plus contract.

Mr. McCULLOCH. If the work had been performed under a lump-sum contract it would have decreased the risk of the contractor?

Mr. BECKSTROM. Yes; it would to a great degree. Of course the contractor has no control over the lowered efficiency of his men due in a great degree to that which always happens whenever there is a great demand for men.

Mr. McCULLOCH. There were many provisions that might have been put into a contract such as if the wages went over a certain amount the Government would take care of the company and the same if the materials went over a certain amount?

Mr. BECKSTROM. Well, that is the way we do to-day, with conditions as they are at present, we won't enter into a contract at a fixed sum unless we can have a provision in the contract that if there is an increase in the cost of labor or materials that the owner will pay the difference.

Mr. McCULLOCH. Is that a proper provision?

Mr. BECKSTROM. I imagine such a provision would have been necessary due to the magnitude of the work involved, because if there wasn't such a provision as that difficulty would be experienced in getting a contractor to bid on a lump-sum proposition unless he had been given that assurance.

Mr. McCULLOCH. But with that assurance in it is a perfectly practical proposition, is it not?

Mr. BECKSTROM. Why I should judge it to be very practical.

Mr. McCULLOCH. A lump-sum bid?

Mr. BECKSTROM. Yes

Mr. McCULLOCH. Are you bidding on lump-sum contracts to-day?

Mr. BECKSTROM. Yes, sir.

Mr. McCULLOCH. And the labor and material market to-day is badly disturbed is it not? As badly disturbed as at any time?

Mr. BECKSTROM. Yes; it is; it hasn't been any worse than it is to-day.

Mr. McCULLOCH. Are you willing to and would you bid on a contract on a lump-sum basis?

Mr. BECKSTROM. Yes. I guess everybody else does, too.

Mr. MCKENZIE. What is your judgment upon the morale of the labor of the country by the adoption of this form of contract?

Mr. BECKSTROM. Well, it certainly has been a total lowering—a great lowering of efficiency in the production of labor in the last two years. I guess nobody will deny that that has to employ labor.

Mr. McCULLOCH. I want to at this point have printed in the record copies of two letters signed by R. C. Marshall, jr., lieutenant colonel, Quartermaster Corps, National Army, in charge of cantonment division. They are both dated March 16, 1918. One headed— from officer in charge of cantonment construction to Ross P. Beckstrom, general contractors, Rockford, Ill.; subject, regarding contract at Camp Grant; and the second letter from officer in charge of construction division to Rockford Manufacturers & Shippers' Association, Rockford, Ill., regarding contract for work at Camp Grant. I offer this letter as bearing upon the testimony of the witness and in view of the statements that he has made.

(The said letters offered by Mr. McCulloch being in the words and figures following:)

MARCH 16, 1918.

400.155 CR-C (Camp Grant).

Officer in charge of cantonment construction.

Ross P. Beckstrom Company, general contractors, Rockford, Illinois.

Regarding contract at Camp Grant.

1. Your letters of February 28th, 1918, addressed to Major Starrett, chairman of the Council of National Defense, and of March 4th, 1918, addressed to the emergency construction committee, Council of National Defense, together with sundry telegrams and comments, have been referred to this division.

2. The contract made with your company November 1st, 1917, specified that it covered alterations, additions, and repairs at Camp Grant, "such as may be ordered from time to time in writing within sixty days from date of contract." This division did not guarantee, as you seem to believe, that you should have all the work to be done at Camp Grant. Moreover, under the terms of this contract, your work may be curtailed at any time by this division ceasing to give written orders to you for additional work.

3. When the additional hospital facilities at the various camps were demanded by the Surgeon General's Office it was imperative that in order to insure early completion of the additions to base hospitals at the various camps, including Camp Grant, that contracts be let to contractors who could guarantee early completion. These additions to base hospitals moreover were not contemplated when the contract with your company, dated November 1, 1917, was executed.

4. It has been the policy of the Council of National Defense to divide the emergency construction work among a number of contractors in various sections of the country where such work is being done, rather than concentrate with few contractors, so that many concerns may participate in the emergency construction. The Council of National Defense saw fit to award the contract for the additions to the base hospital at Camp Grant to Henry Ericsson Company, of Chicago, with the approval of the Secretary of War. As you know, this contract has been so approved and the above-named company is engaged in this work.

5. We feel that it is your patriotic duty to cooperate with that company in a uniform labor scale not higher than the scale generally prevailing in the Chicago district, and I believe that it is for your interests to cheerfully do such work as you have been directed to perform under the supervision of the constructing quartermaster in charge, granting Henry Ericsson Company the same privilege. We wish you to understand that the awarding of the contract for the additions to the base hospital to another company is in no wise a reflection on you or your company, and that so far as this office is advised your work has been satisfactory, and we trust it may continue to be so until the expiration of the term of your contract, April 30, 1918.

R. C. MARSHALL, JR.,  
Lieutenant Colonel, Quartermaster Corps, National  
Army, in Charge of Cantonment Division.

By O. P. CHAMBERLAIN,  
Major, Quartermaster Corps, National Army.

MARCH 16, 1918.

Maj. Chamberlain,  
400.155, CR-C (Camp Grant),  
Officer in charge of construction division,  
Rockford Manufacturers and Shippers Association, Rockford, Ill.,  
Regarding contract for work at Camp Grant.

1. Referring to your wire of the 15th instant to the Hon. Charles E. Fuller; also referring to advertisements of Henry Ericsson Co. for labor.

2. It does not appear that this company is offering above the union scale of wages. You will appreciate that it is necessary for the Government to cooperate with the labor organizations as well as with employers. It is suggested that the matter of agreement on wage scale for the work at Camp Grant should be adjusted between the Ericsson and the Beckstrom companies, both agreeing to a uniform scale for the work at said camp. We understand this matter is being worked out locally.

3. In order that you may understand fully the conditions, I am inclosing copy of a letter just sent to the Ross P. Beckstrom Co. While it is the intention of the division to treat all contractors fairly, the Ross P. Beckstrom Co. must also be fair in this matter. We trust there will be no further difficulties and if there are that they be adjusted, as above suggested, on the ground.

R. C. MARSHAL, Jr.,

*Lieutenant Colonel, Quartermaster Corps, National Army.*

*In charge of cantonment division.*

By O. E. CHAMBERLAIN,

*Major, Quartermaster Corps, National Army.*

*Schedule B.—Construction Accounts.*

A- 1, addition to base hospital.....	\$10,064.05
A- 2, addition to division headquarters.....	1,649.71
A- 3, repairs to ventilators.....	6,116.71
A- 4, completion of drainboards.....	329.23
A- 5, walks to isolation ward at base hospital.....	137.75
A- 6, addition to boiler house at division headquarters.....	1,003.20
A- 7, alteration to examination and operating building.....	346.77
A- 8, radiator screens at psychopathic ward.....	49.73
A- 9, remodeling of wagon shed.....	391.50
A-10, alterations at base hospital.....	8,901.43
A-11, addition to officers' quarters at Remount.....	1,129.49
A-12, addition to heating plant—refrigerating plant.....	1,074.70
A-13, addition to telephone and telegraph building.....	1,642.23
A-14, nurses' toilet rooms at base hospital.....	124.74
A-15, miscellaneous additions to Remount Station.....	9,450.74
A-16, reinforcement of 2d floor of 2-story building.....	915.84
A-18, completion of coal scales.....	195.12
A-19, addition to office building of contractor.....	224.57
A-20, heating plant at telephone building.....	661.04
A-21, heating equipment for storehouses.....	533.92
NC-1, brigade headquarters and office building.....	4,402.32
NC-2, quartermaster shops and paint shop.....	5,336.76
NC-3, hay sheds.....	5,905.92
NC-4, office building for construction contractor.....	545.49
NC-5, storage elevator for oats.....	20,413.83
NC-6, division guardhouse and fence.....	5,585.43
NC-7, clothing and shoe repair shop and paint shop.....	5,113.47
NC-8, ordnance lavatory.....	2,063.93
NC-9, laboratory annex to base hospital.....	708.29
NC-10, liberty theater building.....	38,291.43
NC-11, barracks building at remount.....	2,947.23
NC-12, additions to base hospital.....	30,565.00
NC-13, shop building at remount station.....	851.04
NC-14, motor repair shop and barracks building.....	15,065.16
NC-15, hay chopping and oats crushing shed.....	2,239.72
NC-17, dental infirmary.....	9,850.77
NC-18, ordnance repair shop.....	3,409.95

NC-19, warehouse.....	\$2, 400. 64
NC-20, medical building.....	7, 288. 84
NC-21, hay sheds.....	40, 890. 14
NC-22, detachment barracks at remount.....	6, 380. 29
NC-23, stable for 161st Field Artillery.....	883. 08
NC-24, service station for autos and trucks.....	3, 419. 71
NC-25, latrines at rifle range.....	429. 97
NC-26, stable and wagon shed for Three hundred and eleventh F. S. C.....	18. 84
NC-27, quartermaster office building.....	2, 899. 89
NC-28, grenade sheds.....	186. 04
NC-29, office building and alteration to ordnance warehouse.....	564. 15
NC-30, horse stable at remount station, 40 horses.....	1, 560. 74
NC-31, horse stable at remount station, 68 horses.....	255. 23
R-1, miscellaneous repairs.....	4, 145. 99
	<hr/> 270, 794. 66
Less credit Parsons Lbr. Co. to NC-10.....	18. 43
<b>Total.....</b>	<hr/> <b>270, 776. 23</b>

### TESTIMONY OF MICHAEL HANLEY, FREEPORT, ILL.

(Witness being duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your full name?

Mr. HANLEY. Michael J. Hanley.

Mr. McCULLOCH. Where do you live, Mr. Hanley?

Mr. HANLEY. 51 Lincoln Avenue, Freeport, Ill.

Mr. McCULLOCH. What is your business?

Mr. HANLEY. At the present time I am traffic service agent for the Illinois Central Railroad Co.

Mr. McCULLOCH. What do you mean by traffic service agent; that is a new term to me—I am not a railroad man?

Mr. HANLEY. Well, it is really a new position. We are looking after the traffic service. I have the Wisconsin Division of the Illinois Central.

Mr. McCULLOCH. Freight or passenger?

Mr. HANLEY. Both.

Mr. McCULLOCH. Do you know of any instance or any occasion when any of the subcontractors under Bates & Rogers refused to accept goods on which freight was prepaid?

Mr. HANLEY. Well, all I know is by hearsay. I was in De Kalb. Can I state in my own way?

Mr. McCULLOCH. You can, because the rules of evidence that ordinarily govern a court do not govern this committee; we are seeking information and we will be glad to have you state in your own way just what you know.

Mr. HANLEY. Well, I can't remember the date, but it was soon after Camp Grant was started. I was then traveling freight agent for the Illinois Central, soliciting freight business and I called on the agent of the C., M. & G. Railroad at De Kalb one morning and during the conversation he told me, he says: "I have got \$300 here I don't know what to do with."

Mr. McCULLOCH. What was his name?

Mr. HANLEY. Well, now, I couldn't recall his name at the present time.



Mr. McCULLOCH. Let us get it so we can reach him. Was he the agent in De Kalb at the time?

Mr. HANLEY. Yes, sir; and I think he is still agent there.

Mr. McCULLOCH. When was that, about?

Mr. HANLEY. Well, I have been trying to recall that, but I can't. It was very shortly after the camp started.

Mr. McCULLOCH. That would be in 1917?

Mr. HANLEY. Yes, sir; some time, I think, in the fall of 1917 or late in the summer.

Mr. McCULLOCH. All right, go ahead and tell us all the conversation.

Mr. HANLEY. He told me he had \$300 that he didn't know what to do with and he said, "You know the American Steel & Wire Co. prepay the freight on all carloads"—

Mr. McCULLOCH. On what?

Mr. HANLEY. On all carload shipments, and he says, "I bill them 10 cars of nails to Camp Grant with \$30 freight on each car. and the agent at the camp sent me a prepaid only waybill for \$300. canceling the freight payment on those 10 cars of nails; canceling the prepaid on those 10 cars of nails."

Mr. McCULLOCH. Canceling the prepaid?

Mr. HANLEY. Yes, sir; you see a prepaid only waybill would give him credit for \$300, so I said, "Won't the American Steel & Wire Co. accept a refund," and he said, "No, they wouldn't." So I never learned what he did with the \$300.

Mr. McCULLOCH. Do you know whether or not this mix up held up the shipments and delayed them?

Mr. HANLEY. No; I do not; I hardly think it did, though. I got to thinking of it afterwards. My idea was that if they paid the freight at the camp they would get a commission on it, and otherwise they wouldn't.

#### TESTIMONY OF W. E. GRIGGS, ROCKFORD, ILL.

Mr. McCULLOCH. What is your full name?

Mr. GRIGGS. William E. Griggs.

Mr. McCULLOCH. Where do you live?

Mr. GRIGGS. 235 Royal Avenue, Rockford, Ill.

Mr. McCULLOCH. What is your business?

Mr. GRIGGS. I have been following the real estate business. In the last five months I have been sick and haven't been doing anything.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. GRIGGS. I did.

Mr. McCULLOCH. When did you go to work there, about?

Mr. GRIGGS. About on the 20th, I should think, of October.

Mr. McCULLOCH. How long did you work there?

Mr. GRIGGS. About three weeks.

Mr. McCULLOCH. And in what capacity?

Mr. GRIGGS. I was foreman over one gang of men who were putting in foundations; that was down at the detention camp.

Mr. McCULLOCH. What kind of foundations were you putting in?

Mr. GRIGGS. We just dug holes and put in piles, cedar posts.

Mr. McCULLOCH. As foreman how many men did you have under you?

Mr. GRIGGS. Well, there were sometimes 12 to 15, and sometimes 2 to 3.

Mr. McCULLOCH. Who were you working under—Bates & Rodgers?

Mr. GRIGGS. The Ericsson Co.

Mr. McCULLOCH. This was in October, 1918?

Mr. GRIGGS. Yes, sir.

Mr. McCULLOCH. Had you had any experience in that kind of work?

Mr. GRIGGS. Yes, sir; some.

Mr. McCULLOCH. Were you asked about your experience when you were made foreman over these men?

Mr. GRIGGS. No, sir; I was not.

Mr. McCULLOCH. How did you come to be made a foreman?

Mr. GRIGGS. Why, one of our neighbors, a man who is living in one of our houses, asked me to go down there. He said they were short of help, and he said anybody could get a job.

Mr. McCULLOCH. What do you say as to the attitude of the contractor or his agents in having the work speeded up, hurried along?

Mr. GRIGGS. I would say that they were in no hurry to speed it up.

Mr. McCULLOCH. Will you tell us what the facts are, what happened that led you to come to that conclusion; just tell about it in your own words?

Mr. GRIGGS. Well, I could see men leaving a job and going away, and they would be gone two or three hours, and see teamsters with their teams around back of the buildings, perhaps they would stand an hour at a time, or two hours; see them going to water their horses and let them stand at the watering tank half an hour at a time, or 20 to 25 minutes, perhaps. They seemed to be in no hurry.

Mr. McCULLOCH. What was the attitude of the men over you as to hurrying you, urging you to hurry up?

Mr. GRIGGS. They never asked me to hurry up.

Mr. McCULLOCH. Was there a general impression prevailing among the men that they were not to hurry up or work too hard?

Mr. GRIGGS. Well, I would ask them to hurry up sometimes, and they would say: "You don't want to get in a sweat; this is Government work, and we can take it just as easy as we have a mind to."

Mr. McCULLOCH. What do you say as to whether or not there were too many men on the job?

Mr. GRIGGS. Well, I would say there were.

Mr. McCULLOCH. Give us a general idea of how many too many there were, if you can.

Mr. GRIGGS. Why—

Mr. McCULLOCH (interposing). What per cent?

Mr. GRIGGS. Why, down at the detention camp they were only small buildings, and they would sometimes have 12 to 15 men there, where 5 or 6 would be all that could work to good advantage.

Mr. McCULLOCH. What was the reason, in your judgment, if you know, for having more men on a job than were necessary?

Mr. GRIGGS. Well, I don't know why they did it. I don't know about that.

Mr. McCULLOCH. Did you ever point out that there were too many men on the jobs? Did you tell anybody about it?

Mr. GRIGGS. I did.

Mr. McCULLOCH. Whom did you tell it to?

Mr. GRIGGS. I told the man who was foreman at the detention camp.

Mr. McCULLOCH. What did he say to you?

Mr. GRIGGS. Well, he said at one time: "Some of these men may quit, and we want to have plenty of men on hand."

Mr. McCULLOCH. What was this man's name?

Mr. GRIGGS. I don't believe I can give you his name.

Mr. McCULLOCH. He was a foreman, however, under the Ericsson Co.

Mr. GRIGGS. Yes, sir.

Mr. McCULLOCH. Do you say that there were too many men on all of the jobs in your judgment, or did that only prevail on a few of the jobs?

Mr. GRIGGS. Well, I wouldn't say it was so on all of the jobs.

Mr. McCULLOCH. Will you give us some idea of what the conditions were, or as you observed them, in regard to there being too many men? We just want to get the facts, and will you tell us in your own words what the conditions were as you saw them?

Mr. GRIGGS. Well, the contractors—a man who had the roofing job, for putting on some roofing, he seemed to have an idea that the more men he had the better it would be; at least that is the way it appeared to me, and he would have working on a small building five or six men where two or three would be all that could work to any advantage; four, perhaps.

Mr. McCULLOCH. If he had been doing this work under a private contract where he was—

Mr. GRIGGS. Well, I don't know whether he had a contract or whether he was just working under a general foreman. That man's name was Lute Boss.

Mr. McCULLOCH. If you had been doing the work under a private contract where the loss by reason of inefficient labor, if any, came out of your pocket, would you have done it that way?

Mr. GRIGGS. No, sir.

Mr. McCULLOCH. How much less labor would you have gotten along with, according to your opinion of it?

Mr. GRIGGS. Oh, 30 per cent of it.

Mr. McCULLOCH. You would have gotten along with 30 per cent of the labor?

Mr. GRIGGS. Thirty per cent less.

Mr. McCULLOCH. What was the character of the workmen; were they carpenters, or what were they?

Mr. GRIGGS. Well, all classes. There were men working there as carpenters who were not qualified for it.

Mr. McCULLOCH. What percentage of them would you say were not qualified carpenters to carry on efficient work as carpenters?

Mr. GRIGGS. I don't believe there was over 50 per cent of them.

Mr. McCULLOCH. What was the effect, in your opinion and from your observations, as to carrying these men as carpenters and having them do carpenter work when they were not qualified for it?

Mr. GRIGGS. Well, it delayed the work. They couldn't begin to do the work as they could if they were qualified for it. I heard one man

say—he told it after he had quit work down there—he said he laid in a corn field half of the time, and he said all that he had in the line of tools was a hand ax and a square.

Mr. McCULLOCH. Were there others equally well equipped?

Mr. GRIGGS. Yes; I should think there were quite a few.

Mr. McCULLOCH. What would you say as to the effect of the men that were not qualified drawing carpenter's pay—what was the effect of that kind of a system, in your opinion, upon men who were qualified and experienced as carpenters and getting no more pay than the fellow who was not qualified?

Mr. GRIGGS. I think it had a tendency to make them slack and indifferent.

Mr. McCULLOCH. So that if the important element in this construction was speed and prompt construction to house American soldiers, the methods which were used worked exactly to the contrary and delayed it; is that correct?

Mr. GRIGGS. Yes, sir.

### TESTIMONY OF MR. JOHN SMALL, ROCKFORD, ILL.

(Witness being duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. State your full name.

Mr. SMALL. John Small.

Mr. McCULLOCH. Where do you live, Mr. Small.

Mr. SMALL. 1524 Eighteenth Avenue.

Mr. McCULLOCH. What is your business?

Mr. SMALL. Engineer.

Mr. McCULLOCH. What kind of an engineer?

Mr. SMALL. Hoisting engines, operating steam rollers, or hoisting engines.

Mr. McCULLOCH. Did you work on the Camp Grant job?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. When did you begin working there?

Mr. SMALL. Some time in July, 1917.

Mr. McCULLOCH. And who did you start to work for?

Mr. SMALL. Bates & Rogers.

Mr. McCULLOCH. What did you work on when you got there?

Mr. SMALL. I worked on the clam shell.

Mr. McCULLOCH. What is a clam shell?

Mr. SMALL. Well, I loaded coal with it or stone or machinery.

Mr. McCULLOCH. Kind of a dredge, is it?

Mr. SMALL. It is a derrick.

Mr. McCULLOCH. How long did you work on that?

Mr. SMALL. Two weeks.

Mr. McCULLOCH. Then what did you do?

Mr. SMALL. I got transferred to the pumping station.

Mr. McCULLOCH. How long did you stay there?

Mr. SMALL. I stayed there till Bates & Rogers turned the pumping station over to the Government.

Mr. McCULLOCH. Then you left the job, as I understand it. Did you go back again later?

Mr. SMALL. I worked one month for the Government.

Mr. McCULLOCH. And then did you leave?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. And you came back later under Ericsson?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. What did you do working there under Ericsson?

Mr. SMALL. As an engineer and repairing the same.

Mr. McCULLOCH. You are out there now, are you?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. Who are you working for now?

Mr. SMALL. Quartermaster.

Mr. McCULLOCH. You have been working for contractors for some time, have you?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. Will you tell us about how long?

Mr. SMALL. Well, ever since I came to this country I have worked for local contractors; that is, in 1901, since I have been over here.

Mr. McCULLOCH. About 20 years?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. What would you say as to how the work was done on that job as compared with how the work was done on private jobs on which you have worked?

Mr. SMALL. There is a lot of difference.

Mr. McCULLOCH. Just tell us what the difference is or was?

Mr. SMALL. Working for a private contractor you have got to get up and do something.

Mr. McCULLOCH. What were the conditions at Camp Grant?

Mr. SMALL. It was different; sometimes we wouldn't have no materials to do anything in my line.

Mr. McCULLOCH. Was the supervision of the labor proper, or was it not?

Mr. SMALL. I didn't understand that question.

Mr. McCULLOCH. How about the supervision of the foremen; did they get the work out of the men and keep them going as well as they would under a private contract?

Mr. SMALL. No, sir.

Mr. McCULLOCH. What did they do?

Mr. SMALL. They stalled around, to my motion.

Mr. McCULLOCH. And they didn't get the work out of the men?

Mr. SMALL. No, sir.

Mr. McCULLOCH. Did they attempt to do it?

(No answer by Mr. Small.)

Mr. McCULLOCH. Did they try to do it?

Mr. SMALL. No, sir; not that I saw.

Mr. McCULLOCH. What was the result of that; did the men work or did they loaf?

Mr. SMALL. They loafed all they got a chance to.

Mr. McCULLOCH. Did they have much of a chance?

Mr. SMALL. Oh, yes.

Mr. McCULLOCH. State whether or not there were more men on the various jobs than ought to have been on the jobs, or less.

Mr. SMALL. Well, there was more in some parts of it, in some branches of it. Of course, as an engineer I didn't come in contact with everything, you know.

Mr. McCulloch. Just tell us what you did see and what you came in contract with and what your impressions were as to whether or not there were too many men and about loafing on the job and in regard to getting the work out of the men?

Mr. SMALL. While I was under Ericsson, down on the corner of Second Street and Front, we were there for a whole week, with the steam roller and all the men idle, because the material was tied up, and I myself was hanging around the barracks.

Mr. McCulloch. Did this condition prevail while you were working for Bates & Rogers?

Mr. SMALL. No; I didn't have no chance under Bates & Rogers, because the time I worked for Bates & Rogers everything was coming in to be unloaded; they were in a hurry for it and the derrick was working pretty steady; and then, when I got down to the pumping station I was kept pretty busy there, so I couldn't tell.

Mr. McCulloch. The conditions which you mentioned here prevailed under Ericsson?

Mr. SMALL. Yes, sir.

Mr. McCulloch. And you say that the men did loaf on the job during that time, there was no effort made on the part of the representatives of the contractor to make them work; is that right? I don't like to lead you that way, but I wish you would tell us about it.

Mr. SMALL. Well, that is the way I found it. I laid myself near a fire box with steam roller for four days, couldn't move, on account of not having an injector.

Mr. McCulloch. Why didn't you get the injector?

Mr. SMALL. The master mechanic he claimed he couldn't get it.

Mr. McCulloch. Could he have gotten it?

Mr. SMALL. I don't know.

Mr. McCulloch. That was a common repair, a small repair?

Mr. SMALL. Yes, sir; you could get it down here at any steam-fitting shop.

Mr. McCulloch. For how much?

Mr. SMALL. Well, I couldn't tell you the war price of them, but I have bought them for other contractors; I used to pay \$6. Of course the price during the war would be different; I couldn't state, but they used to be \$6.

Mr. McCulloch. And they are easily secured?

Mr. SMALL. Yes, sir; the Rockford Brass Works or the Crane Co. handles them.

Mr. McCulloch. How long did it take to get them?

Mr. SMALL. Four days.

Mr. McCulloch. During that time what did you do?

Mr. SMALL. During that time we stood by the engine.

Mr. McCulloch. And did nothing?

Mr. SMALL. Did nothing.

Mr. McCulloch. Would that have happened under a private contract?

Mr. SMALL. No, sir; it wouldn't have happened; they would have had it in an hour.

Mr. McCulloch. Do you know whether the Government was paying rent on that machine during that time?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. And the Government was paying your wages and the wages of all the other men?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. Is that true?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. And yet they fooled around four days to get a piece of equipment to repair the engine, that could have been secured in an hour; is that right?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee just what you observed as to the waste of materials—first, under Bates & Rogers.

Mr. SMALL. Under Bates & Rogers I didn't see very much, because I was put on nights. Of course, there was quite a lot of waste, but it was all over the camp, and I didn't have no chance under Bates & Rogers to go all over the camp, because I was down to the pumping station, and then I was put on night shift, in charge of the pumping station.

Mr. McCULLOCH. So you know nothing of what happened in that respect under them?

Mr. SMALL. No, sir; I don't know; I couldn't state.

Mr. McCULLOCH. Now state in regard to the other contractor.

Mr. SMALL. The other part, I said I was an engineer and then I was working on the engines, and then I was given a laborer's job and helped to clean up the barracks, and one thing and another.

Mr. McCULLOCH. And in that way you were in a position to observe the waste?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. After you cleaned the barracks out after they were completed, you could see what was wasted?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. Now tell the committee what you observed in the line of waste there at that time?

Mr. SMALL. Why, we took everything we found in the barracks and loaded it on a wagon, built for that purpose, and took it out to the dump and dumped it.

Mr. McCULLOCH. What did you take out there—any good material?

Mr. SMALL. Yes, sir; there was 2x6s and 2x4s and boards.

Mr. McCULLOCH. Plenty of them?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. Were there nails?

Mr. SMALL. I have seen several kegs of nails thrown out.

Mr. McCULLOCH. Good material?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. Could it have been used again?

Mr. SMALL. Yes, sir.

Mr. McCULLOCH. Was there any attempt made to sort it out?

Mr. SMALL. It was all loaded and taken out to the lump and thrown in.

Mr. McCULLOCH. Did it seem to you to have been a willfull waste of good material?

Mr. SMALL. Yes, sir.

**Mr. McCULLOCH.** Is there anything else you can tell us in regard to the waste of materials there that will throw some light upon the situation and enable the committee to get a proper view of the situation there?

**Mr. SMALL.** No. I reported back the day after Christmas, 1918, to the master mechanic and he sent me up to the quartermaster—previous to me there had been another man cutting flues out of the engine and the rest was left to me to cut out and I cut them out and put in a new set of flues, and I worked without help for eight days, and after I worked eight days I reported to the master mechanic, **Mr. Butler**, who was master mechanic at the time, that I was pretty near finished; I only had five more flues to fit and he said: "You are foolish; that job should have lasted a month sure," and I was removed the next morning.

**Mr. McCULLOCH.** You reported that to whom?

**Mr. SMALL.** To the master mechanic.

**Mr. McCULLOCH.** What was his name?

**Mr. SMALL.** Butler.

**Mr. McCULLOCH.** He was master mechanic for Erickson?

**Mr. SMALL.** Yes, sir.

**Mr. McCULLOCH.** Was he master mechanic over the whole job?

**Mr. SMALL.** He had charge of all the machinery in the camp, I understood. I took my orders from him, at least.

**Mr. McCULLOCH.** And when you told him you had about finished with this work he told you you were foolish; that that ought to have lasted a month?

**Mr. SMALL.** Yes, sir; and I was removed next morning off of that job—I hadn't completed it—and was sent down to the Erickson office and I was reduced to a laborer—either leave the camp or be reduced, so I went to work as a laborer.

**Mr. McCULLOCH.** What was the reason for that, in your opinion?

**Mr. SMALL.** I couldn't swear to the reason, but it was because I done this job too fast, I think, or something.

**Mr. McCULLOCH.** Do you know when the work was completed, then, that you had been working on?

**Mr. SMALL.** Why, Butler and the assistant—he come up and monkeyed around there, I guess, a month on those five flues, so far as I could find out. This machine was borrowed from the quartermaster, and it is still out there in operation to this day.

**Mr. McKENZIE.** Was there any inspector ever visited you while you were working on that job and found any fault with the character of your work; that you weren't performing it in a proper manner?

**Mr. SMALL.** No, sir.

**Mr. McKENZIE.** You weren't put off the job, then, on account of not being competent to handle the machine?

**Mr. SMALL.** No, sir; I was reduced to a laborer and sent to the camp laundry.

#### TESTIMONY OF O. W. ARMAGOST.

(Witness being duly sworn by Mr. McKenzie.)

**Mr. McCULLOCH.** Did you give your name to the stenographer?

**Mr. ARMAGOST.** O. W. Armagost.

**Mr. McCULLOCH.** Did you work out at Camp Grant?



Mr. ARMAGOST. Yes, sir.

Mr. McCULLOCH. Under what contractor?

Mr. ARMAGOST. Henry Ericsson Co.

Mr. McCULLOCH. You didn't work under Bates & Rogers?

Mr. ARMAGOST. No, sir.

Mr. McCULLOCH. When did you go to work there?

Mr. ARMAGOST. I went to work right around the 1st of October.

Mr. McCULLOCH. And in what capacity did you work?

Mr. ARMAGOST. Carpenter.

Mr. McCULLOCH. As a carpenter foreman or just as a carpenter?

Mr. ARMAGOST. No; I didn't have charge of any men; only just temporarily.

Mr. McCULLOCH. How many men were there in your gang?

Mr. ARMAGOST. Oh, I should say from 15 to 20—25.

Mr. McCULLOCH. How many of them were qualified carpenters?

Mr. ARMAGOST. Less than 50 per cent of them.

Mr. McCULLOCH. What were the rest of the fellows qualified for?

Mr. ARMAGOST. Well, they would do very well to husk corn, but they were not very good at the carpenter business, and they would have made fairly good laborers, but they weren't very apt at that.

Mr. McCULLOCH. Did you have more men on the job than were necessary?

Mr. ARMAGOST. Yes, sir.

Mr. McCULLOCH. How many more?

Mr. ARMAGOST. Well, I would say they had 25 to 30 per cent more than could work.

Mr. McCULLOCH. Satisfactorily?

Mr. ARMAGOST. Yes, sir.

Mr. McCULLOCH. What was the effect of having these fellows who were not qualified as carpenters on the job and putting too many men on the job?

Mr. ARMAGOST. Well, I think it was bad for the morale of the competent men; a man didn't really have the heart to go to work like he would have otherwise; he wasn't interested in the work as he should, it seemed to me.

Mr. McCULLOCH. It looked like a soft snap?

Mr. ARMAGOST. Yes; that is the idea.

Mr. McCULLOCH. I want to ask you this question and get your judgment on it: Did the fact that they had too many men on the job, and that the morale of the men was reduced, and 50 per cent of them failing to qualify as carpenters, delay the work?

Mr. ARMAGOST. I think it did; yes, sir.

Mr. McCULLOCH. So that if the purpose was speed, to get the work completed in a hurry so that our soldiers could be housed and sheltered, the contrary was the result?

Mr. ARMAGOST. Delay; yes, sir.

Mr. McCULLOCH. Was that it?

Mr. ARMAGOST. Yes, sir.

Mr. McCULLOCH. How about the cost; did it increase the cost?

Mr. ARMAGOST. It certainly did; they were drawing the same pay as a competent man was.

Mr. McCULLOCH. What would you say as to whether or not the work would have been conducted in the manner in which it was con-

ducted by this contractor if he had had it on a lump-sum basis, where this loss, if any, would have come out of his pocket?

Mr. ARMAGOST. He couldn't have done that kind of work and got by; he couldn't have used that class of labor and got by, in my judgment, from my experience.

Mr. McCULLOCH. So you think if he had had it on a lump-sum basis the work would have been done efficiently?

Mr. ARMAGOST. Yes, sir.

Mr. McCULLOCH. And as it was, it was not done efficiently?

Mr. ARMAGOST. No, sir; it was not done efficiently.

Mr. McCULLOCH. And was delayed?

Mr. ARMAGOST. Yes, sir.

Mr. McCULLOCH. What did you observe out there in the way of waste of material?

Mr. ARMAGOST. Well, there necessarily was some waste, with the labor that was doing the work, because the work that I personally saw, of course, was all practically lumber work, timber work. And a man would take a piece of timber and cut it for the place it was supposed to go and if it didn't fit, why, he would cut another one and try to fit it again. In that way there was a lot of lumber wasted. Of course, I didn't see where this lumber went to that was wasted because it was usually cleaned up after the carpenters left the work, so that I don't know what they did with the material; but there was a whole lot of it laying around, and when I came on the job in the morning and looked over there the waste was usually cleaned away.

Mr. McCULLOCH. Now, what did you observe in regard to the plumbers and steam fitters about when they worked and when they were off?

Mr. ARMAGOST. Well, I noticed that they took their time about doing their work—very much so. And on Mondays and Tuesdays before we stopped working overtime and Sundays, too, quite a number of these plumbers came back on the job Tuesday morning—especially the men from Chicago—they would come back on the job about Tuesday morning. They would work during Saturday afternoon and Sunday and then laid off on Monday and they would get back on the job Tuesday.

Mr. McCULLOCH. Were they paid for the Monday's time?

Mr. ARMAGOST. I couldn't say as to that, but I hardly think so, but they would work overtime and get the big pay for working Sunday.

Mr. McCULLOCH. Did you hear there was some of the men went on Monday and Tuesday and got back on Thursday or Friday?

Mr. ARMAGOST. Yes; I think they did; I think they got back later, but I heard a conversation between two of them who had just got back from Chicago and one of them says: "This is pretty snappy," he says, "we are taking our Sundays any day of the week that we want to and working along with the rest and drawing the big pay."

Mr. McCULLOCH. They always worked when there was double time?

Mr. ARMAGOST. When there was double time they all worked.

Mr. McCULLOCH. Under what contractor was this?

Mr. ARMAGOST. Ericsson.

Mr. McCulloch. Were the conditions there such as to lead you to believe that the contractor and his agents were fully advised of this waste and this idling and was there any effort being made on the part of the contractors or their agents to eliminate this waste?

Mr. ARMAGOST. Didn't seem so.

Mr. McCulloch. In your opinion did these conditions prevail with the approval or knowledge of the contractor or his agents?

Mr. ARMAGOST. Why, it looked that way to me.

Mr. McCulloch. He had his agents on the job?

Mr. ARMAGOST. Yes; they were there.

Mr. McCulloch. Could it be helped being known about?

Mr. ARMAGOST. It couldn't be helped being known about.

Mr. McCulloch. So that if the Government was being cheated, and the laborers loafing on the job, it was being done with the knowledge of the contractors; is that right?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. You are a practical carpenter?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. Of how many years' experience?

Mr. ARMAGOST. Oh, about 25 years.

Mr. McKENZIE. About 25 years?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. You stated in answer to a question by Mr. McCulloch that you thought there was perhaps 50 per cent more men employed as carpenters who were not carpenters?

Mr. ARMAGOST. I think it would run very close to that; yes, sir.

Mr. McKENZIE. Well now, as a matter of fact, on a job like that you could have utilized a certain per cent of what might be termed back hands or laborers to haul up the lumber and pass the materials up to the carpenters, couldn't you?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. And that would have been adjusted, provided you were paying them laborers' wages?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. In other words, it would have been a saving to have had some men who were not practical carpenters to do that kind of work, instead of having carpenters to do it, is that true?

Mr. ARMAGOST. That is true, but there weren't any what we call laborers employed on the work that I was with at any time.

Mr. McKENZIE. That is what I am getting at. They were all classed as carpenters and received carpenters' wages?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. Now, suppose you have a gang of 20 carpenters working on a building, about how many back hands do you think would be necessary to take care of that part of it?

Mr. ARMAGOST. Well, anywhere from four to five.

Mr. McKENZIE. Four or five?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. And if that had been done and the organization perfected to that extent, then the Government would have saved practically all the money paid to these other carpenters who were really in the way?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. According to your testimony?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. Do you believe, and is it your judgment, based on your experience, whether or not the work could have been completed in the same length of time by simply employing the carpenters that you had there, or 50 per cent of the men, with 4 or 5 back hands—that is, if you had 4 or 5 to every 20 men—could it be completed in the same length of time that it was?

Mr. ARMAGOST. I think it could, and the work would have been done better and the time would have been perhaps less.

Mr. McKENZIE. Well, that simply comes down to the fact that the organization was very imperfect, is that true?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. And led to waste?

Mr. ARMAGOST. Yes, sir.

Mr. McKENZIE. And the paying of men the wages of experienced carpenters when as a matter of fact they didn't know anything about it?

Mr. ARMAGOST. Yes, sir; that is the idea as I saw it.

Mr. McKENZIE. And there was on account of that a waste of material, as well as paying them for their time?

Mr. ARMAGOST. Yes, sir.

#### TESTIMONY OF W. A. LEWIS, ROCKFORD, ILL.

(Witness being duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Mr. Lewis, where do you live?

Mr. LEWIS. I live in Rockford.

Mr. McCULLOCH. Whereabouts?

Mr. LEWIS. 630 Rome Avenue.

Mr. McCULLOCH. What is your business?

Mr. LEWIS. I am a carpenter.

Mr. McCULLOCH. How long have you been a carpenter?

Mr. LEWIS. Well, sir; I started at the trade when I was 16 years old; I guess I have worked 13 or 14 years at it.

Mr. McCULLOCH. All lines of the carpenter trade?

Mr. LEWIS. Yes, sir; I have had a general experience.

Mr. McCULLOCH. Have you ever acted as a contractor?

Mr. LEWIS. Yes, sir.

Mr. McCULLOCH. Have you taken contracts yourself?

Mr. LEWIS. Yes, sir.

Mr. McCULLOCH. Do you know what it is to get a day's work out of a man for yourself?

Mr. LEWIS. I believe I do.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. LEWIS. I did.

Mr. McCULLOCH. In what capacity?

Mr. LEWIS. Why, I worked as a sanitary carpenter, I believe they called it.

Mr. McCULLOCH. When did you begin work?

Mr. LEWIS. Sometime early in July, 1917, I worked six weeks.

Mr. McCULLOCH. Under what contractor?

Mr. LEWIS. Bates & Rogers Co.

Mr. McCULLOCH. What would you say as to whether or not there were too many men on the job?

Mr. LEWIS. Yes, I think there was; on practically all the jobs I was on there was too many men on them.

Mr. McCULLOCH. How many men too many, give us your idea of it?

Mr. LEWIS. Well, I would say there was more than twice as many as was necessary, I should think, to do the job right, in most cases.

Mr. McCULLOCH. What were the qualifications of the men who were in your gang of carpenters?

Mr. LEWIS. Well, I didn't have any steady gang with me, of course: my duties, when I would run into a job I would have to go to some unit superintendent and borrow some men from him to do my work.

Mr. McCULLOCH. What kind of men did you get?

Mr. LEWIS. Well, I always got mechanics because I would look over the man before I took him—look over the gang.

Mr. McCULLOCH. Now, when you looked over the gang and picked out the mechanics what would you find about the other fellows that were on the job that you didn't pick; were they all mechanics?

Mr. LEWIS. Oh, no, sir; lots of fellows there that would make good farmers. I should say there was probably 50 per cent of them had never worked as carpenters in their life before. I doubt if on all the gangs that I saw if there was over 30 per cent of them would qualify as mechanics, according to the standard laid down by our carpenters' local union here.

Mr. McCULLOCH. What would you say as a practical mechanic as to whether or not, having in mind working on the job, who were not qualified, in the percentage you have indicated and having too many men on the job, what would you say as to whether or not that would tend to speed up the work or tend to delay it?

Mr. LEWIS. Why, I should think it would tend to delay it. I couldn't see it in any other way, hardly.

Mr. McCULLOCH. Now, as a practical man, will you tell the committee how you arrive at that conclusion?

Mr. LEWIS. Why, I saw too many men put on the same kind of work, I saw them get in the others' way because there was too many of them, I saw men who were not mechanics and didn't understand the work would get in the mechanics' way and delay it, these fellows who were not mechanics delayed the work because they couldn't do anything themselves and were in the way of fellows that could.

Mr. McCULLOCH. Did you ever call anybody's attention to those conditions?

Mr. LEWIS. I don't recollect that I ever did.

Mr. McCULLOCH. You were not in a position of any authority on the job as foreman?

Mr. LEWIS. I believe I took the matter up, I think he was Capt. Michie at the time, he was at the head of the sanitary department, just in a conversation I spoke of it once but I don't know that anything came of it.

Mr. McCULLOCH. Did the conditions seem to continue just as they were, was there any improvement?

Mr. LEWIS. Well, I don't believe this officer had any authority to go into that matter at all. His own department was run very effi-

ciently, and I don't believe he had a chance to go into any other department.

Mr. McCULLOCH. State to the committee whether or not the conditions you have detailed here, of too many men on the jobs and men hired as carpenters who were not qualified as carpenters, prevailed during all the time you worked for Bates & Rodgers?

Mr. LEWIS. I believe it did. It was one of the things that disgusted me and made me leave the camp, that was that this condition apparently got worse in the six weeks' time I stayed there, got worse all the time; it was disgusting to see the way things were going on and our local contractors here in town were crying for men and I left the camp and came here to Rockford; I wasn't earning 10 per cent of the money I was getting there but the whole thing disgusted me from start to finish.

Mr. McCULLOCH. These conditions were in the knowledge of the contractor and his agent?

Mr. LEWIS. He couldn't help but know that they were; if a man had eyes and a brain to direct his eyes, he sure would know it.

Mr. McCULLOCH. Because it was apparent to anybody. Is that correct?

Mr. LEWIS. It surely was.

Mr. McCULLOCH. Did you ever hear any reference made by mechanics in regard to buying Liberty bonds, and make a comparison or reference to Camp Grant in that connection?

Mr. LEWIS. I have heard in a number of cases people say that it was an injustice to expect them to save their money to buy Liberty bonds when there was such a waste of money as there was at Camp Grant. I have heard this expression a great many times.

Mr. McCULLOCH. Can you give us, now, the expressions heard—any of them?

Mr. LEWIS. Why, one teamster said, "It is a hell of a note, they want us to save our money to buy Liberty bonds with and down at the camp there are men cutting down oats and corn and piling up the corn and oats and refusing to let me have it to feed my team." I think that is one particular expression that I remember.

Mr. McCULLOCH. What, if any, reference did you ever hear made in regard to the contractor, in regard to the fees that he was receiving, etc.?

Mr. LEWIS. Well, I didn't know anything about it and didn't pay any particular attention. I heard it was a cost-plus contract of some kind, and we had heard of that before, and it didn't interest me particularly. I had no means of finding out how much they were getting.

Mr. McCULLOCH. Do you remember the occasion when a number of mechanics at the beginning of August, 1917, probably 75 of them, went up to the unit superintendent, representing Bates & Rodgers, and asked what they should do next. Do you remember that occasion?

Mr. LEWIS. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee about it.

Mr. LEWIS. Why, this fellow—this man that I took to be a unit superintendent—was riding a horse, and a bunch of men flocked up to him and asked him what they should do, and he says to them,

what the hell they were doing around there, and they said they were looking for some work to do, and he says, "Have you seen the camp yet?" They said, "No." "Well, go on out and take a look at it, and don't let me see you again until I call for you." There was quite a lot of work in advance at that time, but he drove them away.

Mr. McCULLOCH. Did he give them any reason?

Mr. LEWIS. He didn't at that time.

Mr. McCULLOCH. He told them to go sight-seeing over the camp?

Mr. LEWIS. Yes, sir.

Mr. McCULLOCH. Is that it?

Mr. LEWIS. Yes, sir.

Mr. McCULLOCH. Were those men on the pay roll?

Mr. LEWIS. I couldn't tell you. I merely heard them. I remember that some of them had buttons on and some of them spoke to me about it.

Mr. McCULLOCH. What did they say about it?

Mr. LEWIS. They admitted that they were faking, and I expect they must have been on the pay roll.

Mr. McCULLOCH. What would you say as to the waste of materials? Was there very much waste of materials out there that you observed?

Mr. LEWIS. Yes; there was considerable.

Mr. McCULLOCH. More than there would have been on a private job?

Mr. LEWIS. Oh, my! yes.

Mr. McCULLOCH. Would you give us some idea of how much more?

Mr. LEWIS. Why, in dimension lumber 2-inch stuff there is very rarely any waste on ordinary work, most all of it can be used; for instance, 2 by 4s, 8 feet long, we use on ordinary house work, and down at Camp Grant there would be pieces of 2 by 4s, 6 feet, 8 feet, and 10 feet long, I would see in the rubbish heaps being kicked around and driven over and the quality of the inch stuff of the lumber was bad, but the fact that there was poor mechanics on the job made it worse yet. They didn't attempt to cut so as to save. They didn't attempt to cut any of it to edge.

Mr. McCULLOCH. Well, if the stuff had been cut to edge and properly handled and the stuff gotten on the job in proper lengths and mechanics had been handling it, would it have served to delay or hasten the work?

Mr. LEWIS. Why, I would be inclined to think it would hasten it. It would relieve some men who were delivering the lumber to other work.

Mr. McCULLOCH. That is to say, if the material had been cut into the proper length by mechanics in the manner that you have stated, it would have hastened the work, would it not?

Mr. LEWIS. Well, in any event, it wouldn't have delayed it any.

Mr. McCULLOCH. Are you familiar with the method followed by the Bates & Rogers Co. Employment Bureau in hiring men on that job—carpenters?

Mr. LEWIS. Yes, sir. I had curiosity enough to go over and watch several times during my stay down there.

Mr. McCULLOCH. I wish you would tell the committee about that what you observed, and what the method was which was followed in hiring mechanics.

**Mr. LEWIS.** Why, about the only method I noticed outside of my own particular case was that the employment agent, the man in the employment office, would ask a man if he was a carpenter, and if he said yes, "Where are your tools," and I would hear some of them say that their tools were out on a dray or that they would get them there, or they would have them in a box. A mechanic generally had his box of tools on the job. Some of these other fellows would have a 10-cent hatchet or saw under their arms and that was all they had.

**Mr. McCULLOCH.** Would that be all that would be asked them?

**Mr. LEWIS.** Yes, sir. In my own case, they asked me what I could do. It seemed that the sanitary department required the services of a practical mechanic. Altogether, in my six weeks there, I wasn't called upon to do anything that even a farmer couldn't do.

**Mr. McCULLOCH.** What would you say about the quality of the lumber that was used on that job?

**Mr. LEWIS.** Well, I don't think it was as good lumber as we got in town. I don't know how to grade it, and I imagine in comparison with the grades we used in town that the hemlock they used in 1917 was probably what we would call No. 3; I don't believe you could hardly make No. 2 of it, although some of it would grade even to No. 1, but the bulk of it would grade poorer than what I would think would be No. 2.

**Mr. McCULLOCH.** I wish you would tell us about the tools that some of the men had there—were they the cheapest kind of tools?

**Mr. LEWIS.** Well, I saw some men come in who were, no doubt, mechanics who had good kits of tools that any mechanic would be proud to own, and I saw fellows come in with tools that were no good at all to be used at carpenter work, and I saw other tools that wouldn't stand any rough use at all, wouldn't stand up under any sort of steady working conditions.

**Mr. McCULLOCH.** You are a member of the union?

**Mr. LEWIS.** Yes, sir.

**Mr. McCULLOCH.** What union—carpenters' local union?

**Mr. LEWIS.** Yes, sir.

**Mr. McCULLOCH.** State whether or not your local union was in touch with the conditions out there to some extent.

**Mr. LEWIS.** I believe it was either the latter part of June or early in July, 1917, our local union took action in some way instructing our business representative to call upon the Bates & Rodgers and offer to place a competent mechanic in their employment office, and then, if necessary, we, the carpenters' union, would pay the man's salary, in order to insure the company getting mechanics. That part I know. From hearsay I understand that our business representative called on them and the offer was declined.

**Mr. McCULLOCH.** Do you feel that it would have expedited the work, getting mechanics on the job?

**Mr. LEWIS.** I know it would have, putting mechanics on the job, if that was what the Government desired.

**Mr. McCULLOCH.** Would the placing of competent mechanics upon this job have expedited the work and have facilitated and accomplished it quicker?

**Mr. LEWIS.** Yes, sir; and made it infinitely cheaper to the Government.



Mr. McCULLOCH. You think it would have made it cheaper?

Mr. LEWIS. Yes, sir.

Mr. McKENZIE. Did your union, as a union, oppose the employment of non-union men on that job?

Mr. LEWIS. No, sir; they did not, to my knowledge, it seemed there had been an agreement made between our international union and the Government that during the war we would waive that one rule in regard to working with nonunion men and the Government granted us the right to organize these men on the job, and at no time was there an effort made to try to force the closed shop issue.

Mr. McKENZIE. Were you at the meeting that night at which your union decided to take that action—to take the matter up with Bates & Rogers, and to ask them to put a man in out there in their employment office?

Mr. LEWIS. Yes, sir; I was present.

Mr. McKENZIE. Was it understood that you were to have this agent try to employ only union men?

Mr. LEWIS. No, sir.

Mr. McKENZIE. That wasn't a part of it?

Mr. LEWIS. No, sir.

Mr. McKENZIE. But you were to see to it that no one but a carpenter was employed there, and worked as a carpenter?

Mr. LEWIS. Yes; that was the end in view.

Mr. McKENZIE. As a matter of fact, did you, or did you not, try to have all the men drawing carpenter's wages, take out union cards?

Mr. LEWIS. Naturally we tried to get them into our organization, those that could qualify; some that were willing to go into our organization we had to refuse admission because they couldn't qualify.

Mr. McKENZIE. You have certain regulations laid down in your union that a man who wants to be a union carpenter must obey—to perform a certain amount of work in a day; is that correct?

Mr. LEWIS. The qualifications, in a few words, are that he must have served four years at the trade; must have worked four years at the trade, and even then there is a committee that investigates each individual case and he must answer suitable questions to this committee so that he can demonstrate that he is what he claims to be.

Mr. McKENZIE. Do you know whether your organization took in or undertook to take in as members any of these farmers or grocery clerks, and such other men that didn't know anything about carpenter work, as members of your union?

Mr. LEWIS. I don't think we ever took any in; of course, there was quite a lot of applications, but those fellows were rejected in a great many cases, and in others they didn't press the application themselves.

Mr. McKENZIE. Rejected on the ground that they hadn't had sufficient experience as carpenters?

Mr. LEWIS. Rejected on the ground that they were not able mechanics.

Mr. McCULLOCH. Col. Cooper, of the Emergency Construction Corps, has suggested that the question be asked why it was that he left the works in six weeks. He suggests that there were numbers of carpenters working there for a much longer time.

Mr. LEWIS. Well, to fully explain it will take a minute or two of explanation.

Mr. McCULLOCH. Go ahead.

Mr. LEWIS. I went into the camp as a sanitary carpenter. My duties were to travel back and forth throughout the entire camp every day for as often as possible and see to it that the temporary lateriel and kitchen doors and things of that sort were put up so that flies couldn't get in and spread disease and my work was a joke. There was nothing to do. I don't think I had but two jobs that amounted to anything in the whole six weeks I was there and when the base hospital was established down there, there was a bunch of young officers came and one of them was a personal friend of mine and he asked me to make him a small table for use in his quarters and out of a pile of scrap I picked up stuff enough to make it. It was a little table about 20 by 30 inches and Mr. Weston, I believe he was the Asst. Field Sup. for the Bates & Rogers people, heard that I had made this table for this officer and he asked me about it and of course I admitted it and he gave me, well, what is accepted popularly as a "bawling out" for doing that work for that officer, rather than confine my work to what he or Capt. Michie would tell me to do, and I explained the matter to him then, that I was loafing about 90 per cent of my time and that I did it in order to pass the time away and he said: "I don't care if you loaf 10 hours a day if you just take the orders we give you and those only," and I thought about the matter and I picked up my kit and came to town and went to work for a contractor.

Mr. MCKENZIE. You made that out of Government material on the ground and on Government time?

Mr. LEWIS. Yes, sir.

Mr. MCKENZIE. I want to ask you one other question that has occurred to me. Do you believe, in your judgment that you could have secured enough union carpenters or men who were real carpenters to have done the work out there?

Mr. LEWIS. Well, that is a hard question to answer.

Mr. MCKENZIE. That is the carpenter work I am speaking of now.

Mr. LEWIS. I believe if our carpenters, if our international carpenters union had been given a free hand in that matter they could have furnished mechanics to build all the cantonments in the United States just as quickly as was done, except, I believe they could have done it cheaper as well. They had the means I believe of getting together large numbers of mechanics, more so than any other agency had.

(And thereupon the committee took a recess until 2 o'clock, p. m.)

#### AFTER RECESS.

The committee resumed its session at 2 o'clock p. m., pursuant to the taking of recess.

Mr. MCKENZIE. Before proceeding with the examination of these witnesses I want to make a brief statement for the record. I have noticed, as the other members of the committee have, that the contractors who had the contracts in question at Camp Grant have been present during these hearings and it is, of course, the purpose of this committee to get at all the facts; we are not out here as a prosecuting committee or anything of that kind; we are sent here by Congress to get the facts, and I want to say to the contractors

and their representatives that when we get through with the witnesses appearing on the other side that they will be given the privilege of having their attorney make a statement for the benefit of record, or they can prepare a statement to be signed by the contractor and sworn to by him, or not sworn to, as he chooses, to be introduced into the hearings as a part of the record; or, if preferable, the contractors themselves may take the stand if they wish to voluntarily and tell their own story in connection with this whole matter. And furthermore, that if later on when this matter is taken up again in Washington if either of the contractors feel that they have certain witnesses that they would like to have testify in connection with this matter, I will see to it as chairman of the committee that they are subpoenaed and brought to Washington and their testimony taken before the record is closed, it being our purpose to get the facts as it is possible to obtain them, in connection with this great work. I make this statement now in order that the contractors and their representatives may determine just which course they desire to pursue in this matter, and I want it to appear of record.

Mr. NOBLE P. JUDAH (representing Bates & Rogers Constructors Co.). Will the counsel also have the privilege of cross-examining the witnesses at this hearing?

Mr. MCKENZIE. The witnesses that we put on?

Mr. JUDAH. Yes, sir.

Mr. MCKENZIE. Well, that has not been the rule, I will say. And one of the reasons for that has been that it would cause intolerable delay in this investigation. We felt that it was better to let the witnesses go on and tell their story and take them for what they are worth.

Mr. JUDAH. If the contractor should think it necessary to cross-examine any of these witnesses, could they be subpoenaed to Washington later?

Mr. MCKENZIE. Well, I doubt if the rules of our committee would permit that. I can't say positively on that matter, however; I do not know whether under our rules we could subpoena them for that purpose.

Mr. McCULLOCH. May I make a statement here, Mr. Chairman?

Mr. MCKENZIE. Certainly.

Mr. McCULLOCH. The contractors are not being tried here. This is a question of an investigation by the committee. The general committee adopted rules, as I understand it, in the beginning that the witnesses were to be examined first by the chairman of the committee and then in the order of the members' places on the committee that they were to be recognized by the chairman and each individual member was to have his opportunity to question the witness; that applied down through the majority line and then on the minority side, and it was decided and agreed upon by the committee that no one of the members of the committee were to question the witnesses. That is my understanding of it. As a matter of fact, our own counsel was not authorized to examine witnesses. As I understand, the same rules that were adopted for the general committee apply to the special committee. I might say this to the counsel: That if you desire to submit a line of questions, if you desire to sit next to the chairman here and make any suggestions as to the line of the examination

think that anything that will bring the procedure within the rules of the committee will be acceptable to me as a member of the committee, because all we desire is to get the facts and be fair to everybody concerned. So I think it would be proper for you to sit here or to come here and make any suggestions in regard to questions to be asked.

Mr. McKENZIE. I think that is all right.

You may now proceed with the examination of the witness.

### TESTIMONY OF STEWART T. JOHNSON, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Have you stated your full name?

Mr. JOHNSON. Stewart T. Johnson.

Mr. McCULLOCH. You live at 206 Longwood Street, Rockford, Ill.?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. What is your business?

Mr. JOHNSON. Hoisting engineer.

Mr. McCULLOCH. How long have you been in that business?

Mr. JOHNSON. I followed it more or less for 20 years.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. JOHNSON. Yes, sir; but not as an engineer.

Mr. McCULLOCH. What did you do there?

Mr. JOHNSON. I worked as a material foreman.

Mr. McCULLOCH. Under what company?

Mr. JOHNSON. Ericsson & Co.

Mr. McCULLOCH. Did you work for Bates & Rogers?

Mr. JOHNSON. No, sir.

Mr. McCULLOCH. What did you do there now as material foreman?

Mr. JOHNSON. I got the material from the lumberyard and warehouses at various places by orders and placed it on the ground for the buildings in different units wherever I would be directed, in the different buildings.

Mr. McCULLOCH. Do you mean that you took the material from a given place or from a certain place and distributed it?

Mr. JOHNSON. Yes, sir; I ordered it.

Mr. McCULLOCH. You ordered it distributed, or did you—

Mr. JOHNSON (interposing). I ordered it brought to the camp or to the unit I was in and I would place it.

Mr. McCULLOCH. You were material foreman in the unit.

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Therefore it was your business to see to it that material for the men to work with was on that job, is that right?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And with that end in view you would requisition or order materials placed at certain points on the work?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Who did you work under?

Mr. JOHNSON. I worked under Mr. Larson.

Mr. McCULLOCH. He was what?

Mr. JOHNSON. He was general superintendent.

Mr. McCULLOCH. Under Ericsson?

Mr. JOHNSON. Under Ericsson.

Mr. McCULLOCH. Under Ericsson & Co.?

Mr. JOHNSON. A considerable of the time I worked under a unit superintendent, Mr. Speck.

Mr. McCULLOCH. In what capacity; as material foreman?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Were you on more than one unit?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. How many units?

Mr. JOHNSON. Well, a good deal of the time I had two units at the detention camp, and then at other times I was on what was called the new barracks; I had three or four unit superintendents to look after the material for there; four of them at least, while I was at the new barracks.

Mr. McCULLOCH. During the time that you were there, which covered a period, as I understand it, of how many months?

Mr. JOHNSON. About five months.

Mr. McCULLOCH. Did you have an opportunity to observe and compare you observe the condition in various parts of that camp?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And the work as it progressed?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Will you tell the committee what, if anything, you observed in regard to the waste of material, such as lumber?

Mr. JOHNSON. There was times that I observed waste of lumber, but it was a question whether there was very much waste or not, considering the object of the rush and trying to get the work through. I saw some places—of course, persons differed; some superintendents were very saving and others were not so much so. I did not consider that the lumber was badly wasted.

Mr. McCULLOCH. How is that?

Mr. JOHNSON. I did not consider the lumber was badly wasted in the units I was in.

Mr. McCULLOCH. Do you know what the lumber was used for, and what was done with it after one of the barracks had been completed?

Mr. JOHNSON. Yes; as soon as I was through in our unit I saw that all lumber that could be used was transferred to other buildings—what was left.

Mr. McCULLOCH. Did you sort it yourself?

Mr. JOHNSON. I had it done.

Mr. McCULLOCH. Under whose direction did you do that?

Mr. JOHNSON. Why, if I had any directions, I got it from the unit superintendent.

Mr. McCULLOCH. Well, did you have them?

Mr. JOHNSON. Well, sometimes, and sometimes I did it without direction.

Mr. McCULLOCH. Did you observe any waste of nails?

Mr. JOHNSON. Yes; at times; yes.

Mr. McCULLOCH. Can you tell us about that?

Mr. JOHNSON. Why, there was places where parts of kegs were opened, and parts of kegs left, and rainy weather they were wasted and rusty.

Mr. McCULLOCH. Did you regard the waste of nails as considerable?

Mr. JOHNSON. Yes, sir; considerable.

Mr. McCULLOCH. More than would have been wasted ordinarily?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. What do you say about the waste of lumber; was it more than would have been wasted on the ordinary job?

Mr. JOHNSON. Oh, yes; I should say it was, taking it all around.

Mr. McCULLOCH. How do you account for that?

Mr. JOHNSON. Well, I never tried to account for it.

Mr. McCULLOCH. Just happened, is that it?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And you know it was a fact?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Was there any other waste of materials that you could tell us about?

Mr. JOHNSON. There was some cement wasted there that should not have been done. I got notice one morning of seven carloads of cement to be brought to the detention camp, and I was ordered to take care of it. I went to the unit superintendent about it, and he said we would build a shed for it, and he put his men on to build this shed, and he laid the floor 20 feet square, and they built up the three sides, and I believe had started the roof on it.

Mr. McCULLOCH. Who was that foreman?

Mr. JOHNSON. That unit superintendent's name was Speck. And he had it nearly completed anyhow and the general superintendent came along and asked him what he was doing, and he told him, and he ordered it torn down. He said, "If the constructing quartermaster should see that, he would raise hell about it." That is the way he spoke. So it was torn down and my orders were to pile the cement on the ground.

Mr. McCULLOCH. How is that?

Mr. JOHNSON. He ordered me to pile the cement on the ground. We threw down a few boards and piled the cement in different piles on the ground. Of course, we covered it over with roofing paper and put boards and stuff on it to try to hold it on there; but within a day or two after that there came up a severe storm, a rain storm, and, of course, the wind blew everything off and it was in the rain and the cement laid there for several weeks.

Mr. McCULLOCH. With what result?

Mr. JOHNSON. The result of wasting and ruining the cement.

Mr. McCULLOCH. How many carloads?

Mr. JOHNSON. Seven carloads is what they told me was coming there, and I suppose I got it; I got a lot.

Mr. McCULLOCH. A big pile?

Mr. JOHNSON. Yes; several big piles.

Mr. McCULLOCH. All left in the rain?

Mr. JOHNSON. Yes; we covered it up the best we could, but the wind blew it off. It blew it off several times.

Mr. McCULLOCH. If the shed had been built, it would have protected it, would it?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. It was half completed; how near completed was the shed?

Mr. JOHNSON. I should say 75 per cent completed.



Mr. McCULLOCH. And it was torn down?

Mr. JOHNSON. Yes, sir.

Mr. McKENZIE. Are we to understand from your testimony that entire shipment was lost?

Mr. JOHNSON. No, sir; there was some salvage in it.

Mr. McKENZIE. But there hadn't any of it been taken away used before the storm; it was all on the ground.

Mr. JOHNSON. No, sir; none of it was taken away. There were few wagonloads put in the detention huts, but it broke the floor we gave that up; they were lightly constructed and the floor would not hold the heavy weight of the cement.

Mr. McCULLOCH. Speck was Ericsson's—

Mr. JOHNSON (interposing). Unit superintendent.

Mr. McCULLOCH. He was Ericsson's unit superintendent?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And it was from him that the order was received to tear it down?

Mr. JOHNSON. No, sir; he received the order.

Mr. McCULLOCH. Through whom?

Mr. JOHNSON. The general superintendent, Larson.

Mr. McCULLOCH. Larson?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Are there any other cases of waste that you bring to our attention?

Mr. JOHNSON. Not that I recall at the present time.

Mr. McCULLOCH. Taking the other side, were there any cases where great effort was evidenced to economize to protect material, etc.?

Mr. JOHNSON. Well, yes; I could give you some instances of that.

Mr. McCULLOCH. Well, suppose you give them to us.

Mr. JOHNSON. I remember of several of these detention huts which were a small building 20 feet square in one unit where the floor was entirely laid with short pieces of sheathing which would have been ordinarily wasted and was ordinarily wasted.

Mr. McCULLOCH. By ordinarily wasted, you mean ordinarily wasted at that camp?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Would it have been wasted in ordinary building construction?

Mr. JOHNSON. Probably not.

Mr. McCULLOCH. Of a private nature?

Mr. JOHNSON. Probably not.

Mr. McCULLOCH. So you can point to many instances now where there was material of that kind that was used which would on the job have been ordinarily destroyed?

Mr. JOHNSON. That was in one unit where they made a practice of saving this sheathing—the short pieces of sheathing—by using it in flooring.

Mr. McCULLOCH. Was that your unit?

Mr. JOHNSON. It was Mr. Speck's unit.

Mr. McCULLOCH. Under whom you worked?

Mr. JOHNSON. Yes; he was one of the superintendents. I was furnishing stuff for others.

Mr. McCULLOCH. Was this material saved as a result of your suggestion?

Mr. JOHNSON. Sir.

Mr. McCULLOCH. Was this material saved and utilized at your suggestion?

Mr. JOHNSON. No, sir.

Mr. McCULLOCH. At whose suggestion?

Mr. JOHNSON. The suggestion of the unit superintendent.

Mr. McCULLOCH. Mr. Speck?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee whether it was the practice to destroy that kind of material?

Mr. JOHNSON. Yes; it was the practice to throw that material in the refuse.

Mr. McCULLOCH. To throw it away?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. If that was the practice it must have met the approval of the contractor and his representative, is that right?

Mr. JOHNSON. It seems so; yes, sir.

Mr. McCULLOCH. So that the economy you have referred to that was practiced was the result of Mr. Speck's attitude rather than the attitude of his superiors representing the contractor?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. What can you tell the committee in regard to the work the men did on the job?

Mr. JOHNSON. Well, there was competent and incompetent, willing and unwilling on the job; all the various traits; there was good men and poor men; particularly, laborers were the poorest I ever saw. The carpenters were, of course—a lot of good carpenters, and there was a lot that were incompetent.

Mr. McCULLOCH. They were being employed and paid as carpenters, the incompetent ones?

Mr. JOHNSON. Yes; every man that was working at the carpenter work, my understanding was, he was rated as a carpenter.

Mr. McCULLOCH. Receiving carpenters' wages?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And yet you say many of them were incompetent?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Not qualified to do carpenter work?

Mr. JOHNSON. No, sir.

Mr. McCULLOCH. What percentage of the carpenters would you say were not qualified to do carpenter work?

Mr. JOHNSON. Well, I don't know; I should say perhaps some units half of them were and some units more of them were.

Mr. McCULLOCH. More than half were incompetent?

Mr. JOHNSON. More than half were competent. I judge that some of the units there wasn't over half of them that were competent men—competent carpenters. Some units there were nearly all or the majority of them.

Mr. McCULLOCH. I would like to ask you what was the condition as to the number of men on the various jobs. Were there more men than were needed, in your judgment, or less?



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Mr. McCULLOCH. That is, from the time you began to work for a month you did not receive the order?

Mr. JOHNSON. That is my memory.

Mr. McCULLOCH. Then did you receive the order?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. How did it come the order was made to you at that time; had you discharged anybody?

Mr. JOHNSON. No; it was not on account of my discharging anybody. It was a general order. The unit superintendents got the same order.

Mr. McCULLOCH. That was an order that was issued generally?

Mr. JOHNSON. It seemed to be; yes, sir.

Mr. McCULLOCH. Will you tell the committee the effect of that order?

Mr. JOHNSON. Why, it had the effect that the men would do as they pleased—work or not work—as they pleased. Some men that wanted to get the money and not do the work, and other men that wanted to quit would lay down, trying to get discharged, but the foreman or superintendent, whoever had them in charge, could not get rid of them, and it ruined the morale of his outfit.

Mr. McCULLOCH. In other words, when a man knew that he could not be discharged and would not lose his job he paid no attention to the orders of the foreman, but they were inclined to be arrogant and probably insult him?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And the result was that he could not get any work out of them?

Mr. JOHNSON. That is the fact.

Mr. McCULLOCH. Or as much as you should have gotten out of them?

Mr. JOHNSON. That is the fact.

Mr. McKENZIE. Do you know anything about men being discharged as laborers down there and then going to the other end of the camp and hiring again?

Mr. JOHNSON. I discharged men that were worthless and then saw them working as roofers at 25 cents an hour increase the next day.

Mr. McKENZIE. Were there many instances of that kind came under your observation?

Mr. JOHNSON. Quite a few; I couldn't say how many. Several, I guess.

Mr. McCULLOCH. Did you have a conversation with Walter Ericsson with regard to men sitting on the tables and loafing around?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Will you tell the committee what that conversation was?

Mr. JOHNSON. I put two men hauling tables and placing them in a mess hall and Walter Ericsson came along where I was in another part of the unit and asked me who those men were working for that were hauling tables, or who they were working under. I told him they were working for me. He said they were sitting on a table in the mess hall. I asked him what they were doing, and he said nothing in particular. I said, "I suppose they think the same

of you as they do of me." He said, "What is that?" I said, "Orders are not to discharge them under any conditions; I suppose they think the same of you." He said, "Well, I had to issue an order."

Mr. McCULLOCH. He said he had to issue that order?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And did he tell you why he had to issue an order?

Mr. JOHNSON. No, sir.

Mr. McCULLOCH. Well, did you understand why that order was issued?

Mr. JOHNSON. No, sir.

Mr. McCULLOCH. Have you any opinion on the subject?

Mr. JOHNSON. Well, of course, when the order was issued first opinion was, and the supposition was that it was to hold the men because they needed them to work; that is what I supposed it was for. I had no instructions in regard to the matter; no information in regard to it.

Mr. McCULLOCH. What was your opinion afterwards.

Mr. JOHNSON. Well, my opinion was that they did not want to leave.

Mr. McCULLOCH. Because they wanted to keep them on the pay roll?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. Was that your opinion?

Mr. JOHNSON. That was my opinion.

Mr. McCULLOCH. They were not using them, were they; were they working?

Mr. JOHNSON. No, sir; you couldn't make them work.

Mr. McCULLOCH. That nondischarge order demoralized them?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And yet they were kept on the pay roll?

Mr. JOHNSON. Yes, sir.

Mr. McCULLOCH. And it was your opinion that they were kept there in order to be on the pay roll?

Mr. JOHNSON. Yes, sir.

Mr. McKENZIE. I want to ask you whether or not when these two or three orders came out not to discharge anyone, whether or not that they had at that time more men on the job than they needed. You testified at the beginning that they did not have too many men.

Mr. JOHNSON. Yes, sir.

Mr. McKENZIE. But later on what was the situation?

Mr. JOHNSON. Well, in my opinion at the time we got the order we had more men than were needed because it was late in the construction; it was after the armistice was signed some time.

Mr. McCULLOCH. Do you know of buildings being started after the armistice was signed?

Mr. JOHNSON. I think there were some laid out and started in the east section of the detention camp after the armistice was signed.

Mr. McCULLOCH. I think that is all I want to ask you, Johnson?

## TESTIMONY OF ELMER T. SPECK, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Elmer T. Speck?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. You live at Rockford?

Mr. SPECK. Yes, sir; 816 Rockton Avenue.

Mr. McCULLOCH. What is your business, Mr. Speck?

Mr. SPECK. Carpenter.

Mr. McCULLOCH. How long have you been engaged in carpenter work?

Mr. SPECK. Twenty years or more.

Mr. McCULLOCH. Have you qualified as a journeyman carpenter?

Mr. SPECK. Well, I don't know; sometimes I get by with it.

Mr. McCULLOCH. You have graduated, have you?

Mr. SPECK. Graduated.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. SPECK. Well, I worked there as a foreman and I worked there as a unit superintendent.

Mr. McCULLOCH. When did you begin work there?

Mr. SPECK. The 3d day of July, 1917.

Mr. McCULLOCH. And you worked, then, under the Bates & Rogers Co.?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. To what date did you work under Bates & Rogers?

Mr. SPECK. To the 13th of November.

Mr. McCULLOCH. And then who did you work for?

Mr. SPECK. Ross P. Beckstrom Co.

Mr. McCULLOCH. As assistant superintendent?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. From what date?

Mr. SPECK. December 5, I believe, until about April 24; sometime in April—I don't just recollect.

Mr. McCULLOCH. And then you went to work for Henry Ericsson Co.?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. In what capacity did you work for them?

Mr. SPECK. I was unit superintendent.

Mr. McCULLOCH. Field superintendent; from what date?

Mr. SPECK. From April until the 3d of December.

Mr. McCULLOCH. 1918?

Mr. SPECK. 1918.

Mr. McCULLOCH. In your capacities for these various contractors as you have detailed here, did you have an opportunity to observe and did you observe the methods of construction, and how the men worked, and how the materials were handled?

Mr. SPECK. Well, in regard to materials, I couldn't say, but—

Mr. McCULLOCH (interposing). Well, you did observe it, did you; you were able to see what went on there?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. I wish you would tell us, what, if any, waste material you observed under the Bates & Rogers contract?

Mr. SPECK. Well, the only waste I saw was they had bad material. You take that flooring, and it would take six or eight men to cut that bad stuff out for the other men to lay it; every other piece that [indicating] and that long [indicating] three feet.

Mr. McCULLOCH. You worked under Bates & Rogers—

Mr. SPECK (interposing). As foreman.

Mr. McCULLOCH. Carpenter foreman?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. How many men did you have on your gang?

Mr. SPECK. Oh, I suppose sometimes as high as 90.

Mr. McCULLOCH. How many of them were qualified carpenters and how many of them were not qualified carpenters?

Mr. SPECK. Well, mine was pretty nearly all qualified carpenters because if they didn't they didn't stay.

Mr. McCULLOCH. Will you tell us about that; you are an exception to the general rule.

Mr. SPECK. If a man didn't fill the bill, I would discharge him; that is all.

Mr. McCULLOCH. You say you had 90 men in your gang?

Mr. SPECK. Yes; as high as 90; sometimes not 90.

Mr. McCULLOCH. You say they were all qualified carpenters?

Mr. SPECK. Yes; the most of them. Sometimes we got some that didn't keep them.

Mr. McCULLOCH. What did you do with them?

Mr. SPECK. Discharged them.

Mr. McCULLOCH. Did they go to work some place else then?

Mr. SPECK. I don't know. I gave them a discharge slip and their number from them and sent them to the office—the brass company.

Mr. McCULLOCH. You say nearly all of your men; I want to know what percentage of your men all the time on your gang were qualified carpenters.

Mr. SPECK. Well, all the time—now, as soon as I got a chance to work them, they were all good men; but you take a bunch of men and send them to you, you have to find out what you have got. I would say 90 per cent of them.

\* Mr. McCULLOCH. Ninety per cent of your men were qualified carpenters?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. Was that true under Ericsson?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. And under Beckstrom?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. Was that true—

Mr. SPECK (interposing). Well, under Beckstrom and Ericsson I was not foreman. I was just unit superintendent. I did not have anything to do with the handling of the men; the foremen had the men.

Mr. McCULLOCH. Under Bates & Rogers that was true?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. How about the other units; do you know anything about them?

Mr. SPECK. I don't know anything about them; only my own gang.

Mr. McCULLOCH. Did you regard the waste of materials, we will say lumber, as unnecessary waste?

Mr. SPECK. Well, I can't say—I can't speak anything only from my own—

Mr. McCULLOCH (interposing). You know I am only asking you from your own knowledge; I am not asking you anything you don't know about.

Mr. SPECK. The waste of lumber where I was was the poor lumber we cut out. There might be a stick here and there that got mislaid that a wagon run over or something like that, but we did not waste anything good intentionally.

Mr. McCULLOCH. How about the cutting of material; was it all cut as it ought to have been cut; no waste in the cutting?

Mr. SPECK. There was some waste to cut the knots out.

Mr. McCULLOCH. But you say that was all necessary waste.

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. And that the waste that occurred under you was necessary waste?

Mr. SPECK. Necessary waste; what wasn't used we shipped it to the next building and used it on the first floor.

Mr. McCULLOCH. You had an interview a few days ago with Mr. Chalmers, an investigator representing this committee.

Mr. SPECK. Some man; I don't know his name.

Mr. McCULLOCH. And you told him there was considerable unnecessary waste on that job.

Mr. SPECK. I don't remember telling him that.

Mr. McCULLOCH. Will you say you didn't?

Mr. SPECK. No, sir; I don't remember.

Mr. McCULLOCH. Under oath, will you say that?

Mr. SPECK. I don't remember.

Mr. McCULLOCH. If you did say that, when did you change your mind?

Mr. SPECK. Unnecessary waste—

Mr. McCULLOCH (interposing). I made it very clear to you. I asked you if there was unnecessary waste, and you said no unnecessary waste; and then I asked you whether all of the waste was necessary, and you said it was necessary. Now, I am asking you if you did not tell an investigator of this committee just the other day there was considerable unnecessary waste of materials on that job, and you say you don't remember.

Mr. SPECK. There might have been waste.

Mr. McCULLOCH. Why do you say there wasn't any?

Mr. SPECK. Not any great percentage.

Mr. McCULLOCH. You know you are contradicting dozens of witnesses that have been on this stand.

Mr. SPECK. Well, there might have been.

Mr. McCULLOCH. And you are contradicting yourself.

Mr. SPECK. I am talking of my jobs. I didn't have time to look at the other buildings.

Mr. McCULLOCH. We want the truth.

Mr. SPECK. Certainly; I am giving it to you as near as I can.

Mr. McCULLOCH. However, there is a contradiction here, and I would like to have you straighten it out.

Mr. SPECK. I am not telling—

Mr. McCULLOCH (interposing). If you want to qualify that I am willing to have you do it. You said there was no unnecessary waste; you told the investigator of this committee there was considerable unnecessary waste. I want the God's truth about it.

Mr. SPECK. There may have been a little waste; probably was.

Mr. McCULLOCH. Was there any unnecessary waste?

Mr. SPECK. Probably was a little; probably 10 per cent; everybody jumping there.

Mr. McCULLOCH. How about the other material; any other material than lumber?

Mr. SPECK. I had nothing to do with anything but the lumber and the nails. We shipped them to the other job, or the foremen did.

Mr. McCULLOCH. You had nothing to do with anything but the lumber?

Mr. SPECK. No.

Mr. McCULLOCH. How about the cement?

Mr. SPECK. On Bates & Rogers, I had nothing to do with the cement.

Mr. McCULLOCH. Under whom did you have something to do with the cement.

Mr. SPECK. Well, in fact, I didn't have anything to do with the cement only as I was instructed to build a cement shed to store some cement in, and then I had orders to take it down again on the spot.

Mr. McCULLOCH. Will you tell us under what contractor that was?

Mr. SPECK. That was Mr. Ericsson.

Mr. McCULLOCH. You were ordered to build a cement shed?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. Who ordered you to build it?

Mr. SPECK. Mr. Larson.

Mr. McCULLOCH. And you did proceed to build it?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. And did you get it built?

Mr. SPECK. Not completed. He came down there after it was pretty well along and told us to stop.

Mr. McCULLOCH. Who told you to stop?

Mr. SPECK. Mr. Larson.

Mr. McCULLOCH. He told you to build it and then he told you to stop?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. What did he tell you when he told you to stop?

Mr. SPECK. He said that we would pile it on some boards and cover it with some paper.

Mr. McCULLOCH. What happened to the building you had built?

Mr. SPECK. We took the building down.

Mr. McCULLOCH. You tore the building down?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. Who ordered you to tear it down?

Mr. SPECK. Mr. Larson.

Mr. McCULLOCH. How near completion did you say you had the building?



Mr. McCULLOCH. And you don't know much about it?

Mr. SPECK. I don't know much about it; I was away off by myself.

Mr. McCULLOCH. You had a talk with an investigator for this committee the other day?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. At that time you told the investigator that the waste, particularly as to the superintendents and foremen under the Bates & Rogers and Ericsson administration, there were many more than were needed and you couldn't understand why these people could have all the superintendents and assistant superintendents and foremen they wanted and the Beckstrom Co. only one superintendent and assistant superintendent.

Mr. SPECK. Yes; I did say that; the Beckstrom Co. only had one.

Mr. McCULLOCH. How does it come that you changed your mind to-day?

Mr. SPECK. You said a surplus. In my unit——

Mr. McCULLOCH (interposing). It was on the camp?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. In other units?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. And you just said a moment ago that you didn't know anything about the other units but your own.

Mr. SPECK. I didn't; if it was in the camp, it must have been in some other unit than my own.

Mr. McCULLOCH. If it was on the camp?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. You did have this conversation with Mr. Chalmers?

Mr. SPECK. Some gentleman at the Nelson House; I couldn't call his name.

Mr. McCULLOCH. And you did state what I have read to you to him?

Mr. SPECK. Yes; I did.

Mr. McCULLOCH. Was it true what you said, then?

Mr. SPECK. Well, I suppose it was, yes, as near as I know.

Mr. McCULLOCH. Well, if it was true what you told him, how do you reconcile what you said to him with what you are telling us?

Mr. SPECK. Well, I have just forgotten. It was fresh and brought back to my mind.

Mr. McCULLOCH. You had forgotten that you didn't know anything about any other unit than your own; is that it?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. And now you remember that you did not know anything about any other unit than your own?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. Is that it?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. Let me ask you this question finally: Have you had any talk with any contractor or contractor's agent since you have been subpoenaed as a witness here?

Mr. SPECK. No, sir; I asked Mr. Ericsson—I seen him—is all——

Mr. McCULLOCH (interposing). I didn't ask you if you saw him; did you talk with him?



Mr. SPECK. No, sir; I just shook hands with him and he asked whether I was working every day, and I said yes; he asked whether I was going to testify, and I said yes. He said, "Testify the truth." I said, "Yes."

Mr. McCULLOCH. He said to testify to the truth?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. And you said you would?

Mr. SPECK. Yes, sir.

Mr. McCULLOCH. Did the conversation you had with Mr. Ericson have anything to do with your lapse of memory here?

Mr. SPECK. No, sir; nothing at all.

Mr. McCULLOCH. That is all.

### TESTIMONY OF MR. WILLIAM H. BARNES, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. MCKENZIE. What is your name?

Mr. BARNES. William H. Barnes.

Mr. MCKENZIE. What is your business?

Mr. BARNES. A real estate broker.

Mr. MCKENZIE. Are you connected with the Chamber of Commerce of Rockford?

Mr. BARNES. Yes, sir.

Mr. MCKENZIE. I want to make this statement: A report was made showing the price of various cantonments and the rental paid at different camps and cantonments, and in that report it appeared that the Chamber of Commerce of Rockford had taken a blanket lease rather than the Government had taken a blanket lease from the chamber of commerce, at an annual rental of \$20 per acre, and that report, of course, created some comment, due to the fact that I believe that the highest rental that was paid for any of the camps or cantonments or grounds. Now, I would like to have you, of course, being a member of that committee, state for the benefit of the record whether that is true, and just how you carried out that contract.

Mr. BARNES. It is true; \$20 per acre was the contract that the Government entered into with the chamber of commerce at the inception of the camp in 1917. It has been continued through other leases at the same terms.

Mr. MCKENZIE. For three years?

Mr. BARNES. There were other leases—yes; three-year period. They were yearly leases, with options up to five years.

Mr. MCKENZIE. Is that an unusual rental for land in this community?

Mr. BARNES. I would say it was; yes, sir.

Mr. MCKENZIE. What was the reason, then, for the Government entering into a contract and paying a higher rental than the average rental in the community?

Mr. BARNES. Well, the farmers were averse to renting their land at any price, and some wanted one price and some another, and that was the price that was fixed that would be an average price that would be satisfactory to all of them. The proposal was made to the Government at that price and they accepted it.

Mr. MCKENZIE. About what would be the average fair rental value of land in this community at that time?

**Mr. BARNES.** Well, most of the farms are rented in this vicinity on the share basis, so there isn't any rule governing that; but \$8 and \$10 per acre was about the price for lands of that character at that time.

**Mr. McKENZIE.** Was it your purpose, as a committee or organization known as the chamber of commerce, to take this matter over, being interested in having the camp located at Rockford, to assist the Government to get control of this land?

**Mr. BARNES.** Yes; our purpose was purely to help the Government.

**Mr. McKENZIE.** You did not enter into it, then, for the purpose of speculating or making money out of the leases?

**Mr. BARNES.** Oh, no, sir.

**Mr. McKENZIE.** Well, as a matter of fact, and I presume you are prepared to state to the committee that you did not in the end make any money?

**Mr. BARNES.** Out of the rentals?

**Mr. McKENZIE.** Yes.

**Mr. BARNES.** No, sir.

**Mr. McKENZIE.** Can you give the facts just for the benefit of the record, so that it will, perhaps, end that controversy?

**Mr. BARNES.** Yes, sir. There was a lease entered into between the individual landowners and the trustee for the chamber of commerce. There had been three blanket leases; the first blanket lease was between the then acting chairman of the chamber of commerce, C. A. Dickinson—that was for these underlying leases; the so-called underlying leases—then there was a blanket lease entered into between the chamber of commerce and the United States Government at the same price that the farmer was receiving, and all of the farmers' leases were written at the same price—\$20 per acre—as the blanket lease was between the chamber of commerce and the Government. There are no individual farm owners that received less than \$20 an acre, but there is one that received a little more—a minor case where there was a set of buildings on a small piece of ground, only 20 acres, and there was such a hardship imposed on him that the chamber of commerce paid him \$5 per acre more every year than the Government paid.

**Mr. McKENZIE.** So, as a matter of fact, the farmers got the benefit of the consideration?

**Mr. BARNES.** Absolutely; it was hard work getting it signed at that price.

**Mr. McKENZIE.** And your activities were simply of a public character to assist the Government in getting control of the land?

**Mr. BARNES.** They were at the start. There were two camp sites, you understand; two different leases made. By the time the first tract of land was secured by the Government it was found necessary to increase the holdings, and then I got orders direct from the Government what to do.

**Mr. McKENZIE.** Well, did you have anything to do with the purchasing of the camp for the Government after the armistice was signed?

**Mr. BARNES.** Not directly; no, sir; in an advisory capacity I had considerable to do with it.

Mr. McKENZIE. Was there a syndicate formed to take over land and then sell it to the Government?

Mr. BARNES. No, sir. There was a syndicate formed to take over some lands where the farmers refused to rent their lands to the Government for any price or under any consideration. It was found necessary to purchase the lands and lease to the Government in order to secure them.

Mr. McKENZIE. And you purchased those farms at the time of locating of the camp here?

Mr. BARNES. Yes; right at the very start; in July, 1917.

Mr. McKENZIE. When you sold those lands to the Government did it net any profit to the syndicate?

Mr. BARNES. Yes, sir.

Mr. McKENZIE. Do you know how much?

Mr. BARNES. Yes, sir; I have the figures here; I brought them along. We purchased four different tracts of ground, three of which were necessary to purchase and one of which was unnecessary; that is to say, the farmer did not refuse to sell. I make that distinction in order to do justice to the farmer. Do you wish them in individual tracts?

Mr. McKENZIE. You might name them; there are only four of them.

Mr. BARNES. In one answer?

Mr. McKENZIE. Yes.

Mr. BARNES. The land that we purchased we paid \$88,958.50, then we sold the lands which were at an appraised value and which were satisfactory to the syndicate, and we received \$95,204. In addition to that we had some profits which consisted of damages from demolished farm buildings during the course of construction of the camp, running way back to 1917, most of them; in fact, they were all in 1917.

Mr. McKENZIE. What was the amount of that?

Mr. BARNES. January 12, 1918, the Government settled for that.

Mr. McKENZIE. How much did they give you for that?

Mr. BARNES. Seven thousand six hundred and forty-five dollars from the four tracts.

Mr. McKENZIE. That was the damages?

Mr. BARNES. That was the damages and that accrues as profit to the syndicate.

Mr. McKENZIE. That made your net profit how much?

Mr. BARNES. From those two sources, \$13,819.50, the difference between the purchase price and sale price, and also the demolished buildings. In addition to that we had some profit from the sand and gravel sold to the Government, which I treated as a profit on the whole transaction. The rents which I received as trustee of the syndicate I distributed as dividends or interest on the money invested. So in the final analysis, last July 31 I had on hand \$16,388.34, profits on the sale of land, and those profits from demolished buildings, \$21,388.34 to be distributed among 16 shares; there were 16 shareholders in the syndicate.

Mr. McKENZIE. Did you and your associates perform a considerable amount of labor in procuring the leases and carrying out the contract for the Government that was to represent a consideration for this money?

Mr. BARNES. It is hardly seemly for me to answer the way I am going to, but I've got to. During the two-year period from, starting in May, 1917, when the proposals were invited from the Government for camp sites, I personally spent about 14 months of time for the Government without pay. Other members of the committee worked, too, but not to the extent I did. Along about October 1, 1917, I became directly under the orders of the Central Department, Chicago, War Department, as to what I should do. That was the time we started to get the additional lands for the Government, consisting of 3,405 acres; the first camp sought was 2,250 acres. And then there were numerous changes in the personnel of the officers of the camp necessarily, and each one as they came into office were unfamiliar with conditions and all the signs pointed to myself as being the one familiar with the conditions, so I was constantly at the call of the Government officials to straighten out things that they did not understand, or any account for damages, or rather a buffer between the civilian population and the military.

Mr. McKENZIE. In view of the services rendered and time given, would that represent a very large payment, in your judgment?

Mr. BARNES. Well, that did not go to me; that is profit; only my portion of it.

Mr. McKENZIE. I mean to the syndicate.

Mr. BARNES. Oh, to the syndicate?

Mr. McKENZIE. Yes.

Mr. BARNES. Well, I would say that it was very satisfactory and they had all expressed themselves as extremely well pleased with the amount of profit. I distributed \$1,350.12 to each one of them with the principal back.

Mr. McKENZIE. I want to ask you one question about the price paid to the farmers for the land by the Government.

Mr. BARNES. In the sale?

Mr. McKENZIE. Yes; in these particular tracts you have mentioned and had control of, but purchased from the farmers. In your judgment did the Government pay an unreasonable price for some of that land?

Mr. BARNES. Not in the light of the situation as it is now; that is to say, there has been a tremendous increase in the value and sale prices of lands between 1917 and 1919 when these sales were consummated; there has been a constantly increasing price, due no doubt to the increased prices for the product of the farm and the great prosperity of the people.

Mr. McKENZIE. Well, is it true that there was as high as \$800 an acre paid for some land?

Mr. BARNES. That is not true; far from true. I don't think in any case over \$300 was paid.

Mr. McKENZIE. You are familiar with the values of land in this community, being in the real estate business?

Mr. BARNES. Yes, sir.

Mr. McKENZIE. And you feel that the prices paid were not unreasonable?

Mr. BARNES. I think they were very reasonable in the light of the situation at the time they were purchased.

Mr. McKENZIE. Were there any condemnation suits brought?

Mr. BARNES. Some started, I understand, in two or three instances they were started and are pending in the United States district court now.

Mr. McKENZIE. And have not been settled?

Mr. BARNES. No, sir; unsettled. Never brought to trial, McKenzie; on the docket now.

Mr. McKENZIE. But the representative of the Government, rather than pay the price, filed a condemnation suit; filed a petition for condemnation.

Mr. BARNES. It was necessary in these particular cases, where land could not be acquired peacefully and by private negotiation that was the only alternative. They would be, to my mind, unreasonable prices.

Mr. McKENZIE. Well, I am glad to hear you say that, because some sections of the country there have been unreasonable prices paid, in my judgment, when condemnation should have been resorted to.

Mr. BARNES. There is a peculiar condition here. The camp is right next to Rockford, and it was in the direction where industrial development will naturally take place; right up next to it. And the hopes of the future has been that the city would extend out toward in a commercial or an industrial way. That has had some bearing on the values of these grounds.

Mr. McKENZIE. That is all, Mr. Barnes. We are much obliged to you.

#### TESTIMONY OF W. C. SULLIVAN, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your name?

Mr. SULLIVAN. W. C. Sullivan.

Mr. McCULLOCH. Where do you live?

Mr. SULLIVAN. 100 West State Street.

Mr. McCULLOCH. Rockford, Ill.?

Mr. SULLIVAN. Yes, sir; Rockford, Ill.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. SULLIVAN. Yes, sir.

Mr. McCULLOCH. When did you begin working there?

Mr. SULLIVAN. I think in about July, 1917, if I remember right.

Mr. McCULLOCH. Under Bates & Rogers?

Mr. SULLIVAN. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. SULLIVAN. Laborer.

Mr. McCULLOCH. How long did you remain there?

Mr. SULLIVAN. Well, until they finished up.

Mr. McCULLOCH. Did you work in any other capacity than that of a laborer while you were on the job?

Mr. SULLIVAN. No, sir.

Mr. McCULLOCH. Did you work at various parts of the camp?

Mr. SULLIVAN. Yes, sir.

Mr. McCULLOCH. Tell us then how generally you worked over the camp.

Mr. SULLIVAN. Well, I started in—we were installing some tanks and when that job was finished, I don't know how long, a short time



and then I was over helping unload lumber, and from there I was sent over to what they call the "pole gang"; we strung wires on them.

Mr. McCULLOCH. Your work did take you over the camp pretty generally, is that it?

Mr. SULLIVAN. Well, not so much; I was in practically a small space in the camp.

Mr. McCULLOCH. What did you observe under the Bates & Rogers' contract as to waste of material, if anything?

Mr. SULLIVAN. Well, there wasn't any waste where I was.

Mr. McCULLOCH. What were you doing?

Mr. SULLIVAN. Well, piling up lumber at one time and picking up poles and installing some traps at another time, and I was shaving poles.

Mr. McCULLOCH. What do you say as to whether or not there were men on the job that were not doing a day's work?

Mr. SULLIVAN. There were some; yes, sir.

Mr. McCULLOCH. Was there loafing on the job?

Mr. SULLIVAN. Yes, sir.

Mr. McCULLOCH. Will you tell the committee about it?

Mr. SULLIVAN. Well, I saw men that were not doing anything; didn't seem to be doing anything, anyway.

Mr. McCULLOCH. You have worked on other jobs, of course?

Mr. SULLIVAN. Yes, sir.

Mr. McCULLOCH. Will you tell the committee how the work on this job compared with the work that was done on other jobs of a private nature that you were working on?

Mr. SULLIVAN. How do you mean, on other jobs I have worked on?

Mr. McCULLOCH. You have worked on other jobs?

Mr. SULLIVAN. Construction jobs?

Mr. McCULLOCH. Yes.

Mr. SULLIVAN. No, sir.

Mr. McCULLOCH. Did you ever work as a laborer on a construction job?

Mr. SULLIVAN. No, sir; that is the only construction job I was on.

Mr. McCULLOCH. Never worked on any other construction job?

Mr. SULLIVAN. No, sir.

Mr. McCULLOCH. What did you do before you went to Camp Grant?

Mr. SULLIVAN. I was an engineer on the Northwestern.

Mr. McCULLOCH. So you would not have any opinion on that question whether the men were working steadily compared to other jobs?

Mr. SULLIVAN. No, sir; I couldn't say.

Mr. McCULLOCH. Would you say to the committee there was loafing on the job, or not?

Mr. SULLIVAN. I saw loafing; yes, sir.

Mr. McCULLOCH. All the time or several times?

Mr. SULLIVAN. I was not around all the time, you know; I was on a small area; from the coal grounds to the pole grounds, and there wasn't many men. We were installing poles over there for the wire. There was no loafing on the job I was on.

Mr. McCULLOCH. Will you tell us about that, why you were working?

Mr. SULLIVAN. There wasn't very many of us and there was a lot of work to be done; in fact, they were waiting for those poles. In fact, the wagons were standing there waiting for us to finish to get them over there.

Mr. McCULLOCH. What do you know about the supervision there competent supervision on that work, or do you know?

Mr. SULLIVAN. I couldn't say that; I never had no construction experience.

Mr. McCULLOCH. Do you know of a shoe clerk being a carpenter inspector?

Mr. SULLIVAN. I met one out there that said he was; yes, sir.

Mr. McCULLOCH. What was his name?

Mr. SULLIVAN. Green.

Mr. McCULLOCH. Had he ever worked on any work of that kind?

Mr. SULLIVAN. He said he hadn't.

Mr. McCULLOCH. What do you know about the checkers in unloading materials from the freight cars? Do you know anything about that?

Mr. SULLIVAN. Well, they had checkers while I was unloading lumber there, young fellows.

Mr. McCULLOCH. Can you give the committee any idea of your impression of the checking of materials, and how it was done, whether it was done right or not?

Mr. SULLIVAN. Well, as they took the lumber out of the cars, they checked each piece, or were supposed to anyway.

Mr. McCULLOCH. And was the checking well done?

Mr. SULLIVAN. Well, I don't know just how you would say that.

Mr. McCULLOCH. What would you say about it?

Mr. SULLIVAN. Well, they were around marking them down, but never done any of that work.

Mr. McCULLOCH. Were they qualified checkers, in your judgment?

Mr. SULLIVAN. That I couldn't say. I never done any checking. They had tabs there; they were marking them down, whether they missed any or not—

Mr. McCULLOCH (interposing). Was it your opinion from your observation that they knew much about what they were doing?

Mr. SULLIVAN. No, sir; they did not.

Mr. McCULLOCH. You thought they did not know much about the jobs?

Mr. SULLIVAN. No, sir.

Mr. McCULLOCH. That was pretty important, wasn't it?

Mr. SULLIVAN. I was only there a short time and they had a lot of young fellows just tabbing it down, and some that were not too good.

Mr. McKENZIE. That is what you meant by saying they were not competent to be checking?

Mr. SULLIVAN. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee just what you think if you have any information on that subject that you are willing to give us?

Mr. SULLIVAN. I am willing to give you all the information I can.

Mr. McCULLOCH. Of course, we understood you had some impressions about the checking of that lumber and that material, and whatever those impressions are I would like to have you tell the committee what you observed and whether you thought it was being done right and whether or not the Government's interests were being safeguarded?

Mr. SULLIVAN. As I said before, they had tabs and marked down generally, or were supposed to. Sometimes they were fooling around there; whether they marked it or not I don't know.

Mr. McCULLOCH. You say some was checked and some was not checked?

Mr. SULLIVAN. They checked some, and they might have checked a dozen ahead, and some—

Mr. McCULLOCH (interposing). You said you didn't think they knew their business?

Mr. SULLIVAN. They were young fellows; I still say so.

Mr. McCULLOCH. In your judgment were they doing it right or wrong?

Mr. SULLIVAN. No; not right; not the way I would do it if I were doing it.

Mr. McCULLOCH. Will you tell the committee how the lumber was taken out of the cars; wasn't it taken out of both sides of the car?

Mr. SULLIVAN. Yes, sir.

Mr. McCULLOCH. And being taken out in quantities so that the checkers could not have got it, is that right?

Mr. SULLIVAN. Each one took two or three boards, a man at each end, and this fellow went along and counted it and tabbed it off.

Mr. McCULLOCH. Did he do it?

Mr. SULLIVAN. Yes; in lots of cases; some cases they piled it up where they didn't do it.

Mr. McCULLOCH. It was your impression this checking was not properly done?

Mr. SULLIVAN. In some particular cases; yes.

Mr. McCULLOCH. In two cases?

Mr. SULLIVAN. Yes; two cases or three cases..

Mr. McCULLOCH. How many days?

Mr. SULLIVAN. I was over there about a week.

Mr. McCULLOCH. So you think about twice they did not check it right?

Mr. SULLIVAN. In that gang I was in.

Mr. McCULLOCH. Was it twice, or about twice?

Mr. SULLIVAN. The two or three times I noticed it was marked—that he did not mark it down.

Mr. McCULLOCH. What was the result of that; carelessness?

Mr. SULLIVAN. They were fooling there; that is all.

Mr. McCULLOCH. Did you ever see them haul lumber away before the checkers got a chance to check it?

Mr. SULLIVAN. They never hauled any where I was; just piled it up.

Mr. McKENZIE. Do you know by whom those checkers were employed?

Mr. SULLIVAN. No, sir.



Mr. McKENZIE. Do you know if they were Government employees or employees of the company?

Mr. SULLIVAN. No; I don't know that; no, sir.

Mr. McKENZIE. You have no knowledge on that subject?

Mr. SULLIVAN. No, sir.

### TESTIMONY OF MR. JOHN E. PETERS, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Mr. Peters, where do you live?

Mr. PETERS. 920 Eighth Avenue Court, Rockford.

Mr. McCULLOCH. How long have you lived in Rockford?

Mr. PETERS. Well, in 1899 was the last time, I think, I came to Rockford to stay. Since that time I have been here.

Mr. McCULLOCH. What is your business, Mr. Peters?

Mr. PETERS. Why, my trade is carpenter trade. I have been employed as a representative of the organization for quite a number of years.

Mr. McCULLOCH. How long have you been a carpenter? When did you begin work as a carpenter?

Mr. PETERS. Well, I began work as a carpenter when I was a little boy, probably 12 or 13 years old.

Mr. McCULLOCH. Did you go through and get to be a journeyman carpenter?

Mr. PETERS. Then I discontinued work at the trade for some time. Then I started on again in the carpenter trade finally in 1903; to be sure.

Mr. McCULLOCH. You were a qualified carpenter, Mr. Peters?

Mr. PETERS. Yes, sir.

Mr. McCULLOCH. Did you ever do any contracting?

Mr. PETERS. A very little. I have done a little, but not enough to speak about.

Mr. McCULLOCH (looking at notes of investigator). You are not employed, as I understand it, as business agent for the Carpenters' Union?

Mr. PETERS. No; I am not now, but I have been. I haven't worked with the Carpenters' Union since a year ago last July.

Mr. McCULLOCH. What are you doing now?

Mr. PETERS. Organizer for a fraternal organization; also work on my spare times for one of the local papers.

Mr. McCULLOCH. While you were business agent of the local Carpenters' Union was the contracting work at Camp Grant going on?

Mr. PETERS. Yes.

Mr. McCULLOCH. Had it begun?

Mr. PETERS. It began during the time I was business agent; yes.

Mr. McCULLOCH. In other words, you were business agent for the local Carpenters' Union when they started to build Camp Grant?

Mr. PETERS. Yes, sir.

Mr. McCULLOCH. And you remained as business agent for the local Carpenters' Union for how long during the construction at the camp?

Mr. PETERS. Till the 1st of July, 1918.

Mr. McCULLOCH. That would be approximately—

Mr. PETERS (interposing). Thirteen months.

Mr. McCULLOCH. A year?

Mr. PETERS. Yes; just about; yes.

Mr. McCULLOCH. Just about a year?

Mr. PETERS. Yes.

Mr. McCULLOCH. During that time did you take an interest in the employment of carpenters upon that Camp Grant job?

Mr. PETERS. Very much so; yes.

Mr. McCULLOCH. And did you have any interviews with those who were employing carpenters upon that job or contractors?

Mr. PETERS. Yes.

Mr. McCULLOCH. Were those very frequent?

Mr. PETERS. Very often; yes.

Mr. McCULLOCH. What contractor was it that was doing the work at that time when you were business agent for the local carpenters' union?

Mr. PETERS. Bates & Rogers Construction Co.

Mr. McCULLOCH. With whom did you have your conversations?

Mr. PETERS. Mr. Lanahan; the original conversation was with L. P. Lanahan; Lanahan, anyway, I don't know his initials.

Mr. McCULLOCH. Mr. Lanahan was general superintendent with Bates & Rogers Co.?

Mr. PETERS. Yes, sir.

Mr. McCULLOCH. You say most of your conversations were with him?

Mr. PETERS. I think so; yes.

Mr. McCULLOCH. As general superintendent, I assume Mr. Lanahan had charge of the work for Bates & Rogers, and the hiring of the men?

Mr. PETERS. He had other parties to hire the men.

Mr. McCULLOCH. He had general supervision?

Mr. PETERS. Yes.

Mr. McCULLOCH. And the question of policy was at least carried out by Mr. Lanahan?

Mr. PETERS. I presume so; he was the fellow that directed all the operations.

Mr. McCULLOCH. What was the nature of the conversations you had with Mr. Lanahan during that period; what was the subject of conversation?

Mr. PETERS. The first subject—first, when we found, when we got the information that the camp was coming to Rockford, that we were going to have the cantonment built in the neighborhood, we thought we would be called upon to furnish carpenters, and the subject was taken up in the union and plans made for us to give what assistance we could give in the construction program; and we started out, started to mobilize carpenters in surrounding towns, and, in fact, other States; finally Mr. Lanahan came to town and I found out he was in town and I went to the Nelson Hotel and met him and told him who I was and told him I had made efforts and was making efforts to procure carpenters qualified for the work, and he stated I would be called upon to furnish men; finally, I think it was probably the 26th of June, 1917, or somewhere about that—I couldn't exactly state the date—Mr. Lanahan called upon me, or I called on him, I don't know which, but at any rate I was told to bring 75 men

the following Monday morning; I think this was on Thursday, Friday, and I telegraphed to Chicago; they had promised to furnish me up to nearly 4,000 men from Chicago, carpenters, if it necessary.

Mr. McCULLOCH. By "they," you mean the union?

Mr. PETERS. Yes; qualified mechanics from the union. I had to go to the union for help, but they knew where I could get them in various parts of the State and adjoining States; I telegraphed for men to send me the following Monday morning, I believe it was Monday, and I gathered what few I had in Rockford; it seemed at that time the local officers in Rockford were not able to get hold of a sufficient number, and I only got 22 men. When construction work was started and following that I got out quite a lot; finally enough so that they didn't have a place for them all.

Mr. McCULLOCH. Were the men you furnished qualified workmen?

Mr. PETERS. They were, because they were sent out by the union organization, and they had had to go through the apprentice system, serving a period of time to become qualified workmen or mechanics.

Mr. McCULLOCH. Tell us what they would have to do to qualify?

Mr. PETERS. In every organization, especially so in Chicago, more men there than any other place, men there have to serve three years in the trade; out of the three years they have to put in three months each year in a technical school in order to learn the technical part as well as the practical part; nine months on a building and three months of the year they would be in a school, a technical school.

Mr. McCULLOCH. So the men you received were qualified carpenters?

Mr. PETERS. Practically so, every one of them.

Mr. McCULLOCH. Were they entirely so?

Mr. PETERS. I would be inclined to say yes.

Mr. McCULLOCH. Go ahead and tell what occurred; what did you do; you say you got lots of men; did you take them out there and put them to work?

Mr. PETERS. Yes, sir.

Mr. McCULLOCH. Were you successful in getting them work?

Mr. PETERS. Not always; after the camp opened I sent out more men than they could put to work, and I called their attention to it, and they said they couldn't get the material here, and I pointed out the fact there was a bunch of unqualified mechanics that probably never saw carpenters' tools on the work; in fact, a lot of them never worked with a carpenter's tools; I wanted them put off the work and our men put on.

Mr. McCULLOCH. What was the result of your efforts along this line?

Mr. PETERS. Not very successful; from time to time our people had to wait.

Mr. McCULLOCH. Did you take that up with Lanahan?

Mr. PETERS. I called his attention to it.

Mr. McCULLOCH. Did you tell him you had qualified carpenters?

Mr. PETERS. He knew that.

Mr. McCULLOCH. You told him that?

Mr. PETERS. He said, "The material ain't coming fast enough; we will be ready for them in a day or so"; that was the usual answer.

**Mr. McCulloch.** While you were there with the men that were qualified carpenters, endeavoring to get them on the job, you say there were men on the job who were not qualified and who had no practical experience?

**Mr. PETERS.** Yes, sir; lots of them.

**Mr. McCulloch.** And they kept on the job?

**Mr. PETERS.** Yes.

**Mr. McCulloch.** And your men not put on the job?

**Mr. PETERS.** Very much so; they had to wait until the material came along so they could be put to work.

**Mr. McCulloch.** At the time you were endeavoring to get your men on, state whether or not these men were coming in here and being accepted as carpenters these men that were not competent?

**Mr. PETERS.** Yes; that was a daily occurrence; I could call especial attention to one time for instance; that was not only once, but quite often; I had men that wanted to go to work and were waiting, and I was around there trying to get them on the work and saw fellows with new tools, with a saw about that long [indicating], and a machinist's square, instead of a carpenter's square; 10-cent tools, gotten in a 10-cent store, and I called that to the attention of Mr. Horton, the unit superintendent.

**Mr. McCulloch.** Of Bates & Rogers?

**Mr. PETERS.** Yes.

**Mr. McCulloch.** And working under Mr. Lanahan?

**Mr. PETERS.** I called his attention to five bartenders that had come in from Rock Island, that came in with that kind of tools; they were lined up in rows outside of the employment office; I pointed out that they were bartenders from Rock Island, and could tell what kind of carpenters they were by their tools; at that time he chased them out of the line, but two days later they were on another kind of work.

**Mr. McCulloch.** What happened to your men then?

**Mr. PETERS.** Our men were put on when they could find work for them; it depended when the material came along; maybe they were put on a day or two later; that is about the limit they had to wait.

**Mr. McCulloch.** At the time they were waiting, these qualified men, do you know of any instance where these unqualified men were put to work?

**Mr. PETERS.** They were always put to work; very few were discharged for not being qualified; there was about an equal number; in fact, I believe it is safe to say an equal number of unqualified mechanics would be discharged as ours.

**Mr. McCulloch.** During this time they were shipping them in?

**Mr. PETERS.** Yes, sir.

**Mr. McCulloch.** And taking them on the job?

**Mr. PETERS.** Yes, sir.

**Mr. McCulloch.** These fellows who didn't have qualifications?

**Mr. PETERS.** Yes, sir.

**Mr. McCulloch.** Do you remember a shipment from Indianapolis?

**Mr. PETERS.** Yes, sir.

**Mr. McCulloch.** Tell us about that.

Mr. PETERS. I didn't count them myself, but I was informed there was 700, at least, came in on one trainload one day, and out of there from the way I sized them up—I believe I can judge by the way a carpenter carries pretty well and his qualifications—I don't believe there was but only about two out of every five that were qualified mechanics; the rest of the bunch they had gathered together might have been cooks, bartenders, or from any other business.

Mr. McCULLOCH. Did they go on the job?

Mr. PETERS. They went on the work.

Mr. McCULLOCH. Right away?

Mr. PETERS. Not all that day, but most of them were put on.

Mr. McCULLOCH. At that time did you have qualified carpenters there waiting to be put on the job?

Mr. PETERS. I did have some.

Mr. McCULLOCH. Were they put on?

Mr. PETERS. He couldn't put all of them on because there was many coming in.

Mr. McCULLOCH. At that time some unqualified men were put on and your qualified men were not put on?

Mr. PETERS. Some, at least.

Mr. McCULLOCH. Can you give us any other instance now or from bearing on this particular subject?

Mr. PETERS. That was the usual condition of affairs, practically all the way through. I walked around the camp from time to time to find out exactly what kind of fellows we had there, and, of course, I discovered many times in the day unqualified and not carpenters and I sometimes called the bosses' attention and sometimes the superintendent's and said they ought to be cleaned up and gotten out of there; and the result of it was when I went over in Mr. Thornton's unit they sent a couple of guards after me and chased me and I had to go to Mr. Lanahan to get a pass so they wouldn't chase me out of the place.

Mr. McCULLOCH. Was it your opinion and the opinion of your union that the employing of men unqualified for the work was not only added expense to the Government but would result in delay to the Government, and delay?

Mr. PETERS. It was our opinion, and we knew it to be a fact. We know to-day to be a fact that less than half of the men employed at carpenter work, had they been qualified mechanics and directed in the right kind of way, would have done better and not only in the same length of time, and would have saved a whole lot of waste.

Mr. McCULLOCH. Would a gang of men qualified and properly directed and properly handled done the work in less time than the gangs that were on the job?

Mr. PETERS. Do you mean if they had all been qualified mechanics that were there would they have done it in less time?

Mr. McCULLOCH. We have the situation where, as you say, 50 per cent of the men were not qualified for the work they were doing.

Mr. PETERS. Yes.

Mr. McCULLOCH. You have said that half the men on that job would have done, if qualified, would have done the same amount of work in the same time?

Mr. PETERS. Yes; if they had been left alone and the element that didn't know about the business chased off the job.



**Mr. McCulloch.** Now, the contention being advanced that this was an emergency, with speed and haste being all-important, do you feel that they were justified in employing that class of men?

**Mr. Peters.** That was the contention.

**Mr. McCulloch.** I am asking from your knowledge and experience as a carpenter whether or not this system of hiring everybody and putting them on the job, whether they were qualified or unqualified, especially carpenters, hurried the work along?

**Mr. Peters.** No; I don't think it hurried it along.

**Mr. McCulloch.** Do you think it delayed it?

**Mr. Peters.** Yes.

**Mr. McCulloch.** There can be no doubt about the expense if your statement is correct that half the men, if efficient, could have done the work just as quickly?

**Mr. Peters.** Yes.

**Mr. McCulloch.** Because the other half was deadweight?

**Mr. Peters.** And in the way of the efficient men.

**Mr. McCulloch.** They being in the way of the efficient men meant delay as well as extra expense. Is that your conclusion?

**Mr. Peters.** Yes; that is my conclusion; that is the way I sized it up.

**Mr. McCulloch.** Is it your opinion, from your investigations out there and from your observations while on the job, that this inefficiency and waste, which resulted from having these inexperienced men on there, was carried on deliberately by the contractor, or was it an error in judgment?

**Mr. Peters.** That would be pretty hard for me to judge. I wouldn't want to condemn anybody, unless I had the positive information. I wouldn't say it was deliberately done, but if it wasn't deliberate, it was a grave error in judgment.

**Mr. McCulloch.** What would you say about the men being kept at work at all times?

**Mr. Peters.** Well, as well as they might. Of course, there was considerable loafing, and at one time too many men were on one building—by far too many to work to an advantage—lots of them couldn't work, because there was too many on the building.

**Mr. McCulloch.** How about meeting men in town, who had slipped away after checking in?

**Mr. Peters.** I would meet a few; but there was very little complaint on that score. I knew of men who claimed they had been sent in to town, but I heard a great many rumors of men checking in and getting away from the camp. Of course, those are only rumors and I couldn't qualify as to that.

**Mr. McKenzie.** Just one or two questions: Was the work at Camp Grant—construction at Camp Grant—under the Bates & Rogers Construction Co. done under what would be termed open-shop work?

**Mr. Peters.** Yes.

**Mr. McKenzie.** It was an open-shop job?

**Mr. Peters.** Yes.

**Mr. McKenzie.** In other words, nonunion men and union men met on equal footing?

**Mr. Peters.** Yes; we allowed that to continue, because the country was at war and we didn't want to do anything to interfere with the progress of the job; with the progress of the work.

Mr. McKENZIE. Did you observe the union men you had placed on that job, whether or not they were faithful employees, or did you simply dismiss them?

Mr. PETERS. Why, I observed in my way around the camp that most of them were trying to do their work; I did find that a few of them didn't do what they ought to, and I lay it to the fact, more so than anything else, that so many incompetents were on the job with them that they couldn't do their work and they thought it wasn't worth while to make the supreme effort; but as a general rule I think the men I sent there tried to do their work.

Mr. McKENZIE. You have stated you went to Bates & Rogers many times trying to get regular carpenters, union men, on the job?

Mr. PETERS. Yes.

Mr. McKENZIE. And you couldn't get them on because of there being too many men and not needing them?

Mr. PETERS. Yes; and they claimed they couldn't get the material in fast enough when I had men ready to work.

Mr. McKENZIE. Did Bates & Rogers, or their representatives, ever come to you and ask you to furnish men?

Mr. PETERS. Yes, sir; quite a number of times; quite a number of times; Mr. Lanahan would tell me he needed about 500 and I would send for them and when they came they were not all put to work. I hardly ever got that many, but they weren't all put on.

Mr. McKENZIE. Did you confine your activities, so far as union men were concerned, to the carpenters?

Mr. PETERS. Yes; I confined my attention to the carpenters, but sometimes would be asked by the members of the Bates & Rogers firm to bring laborers; I would notify somebody to send laborers out as quickly as they could, but that would be on very rare occasions.

Mr. McKENZIE. Your main objection was the employing of unfit men and paying them union wages?

Mr. PETERS. Yes; I wanted to do the very best for all concerned.

Mr. McKENZIE. Do you feel you can say to this committee that it is your judgment if they had had all union men on the job that the work would have gone right along and we would have had a more economical administration out there?

Mr. PETERS. Yes; I would say so; I would say, further than that, if they had not been all union men—we didn't expect to have a closed shop—if they had done better they would have saved a whole lot of expense.

Mr. McKENZIE. Was it your understanding that the union men were in a sense bound by the agreement entered into by Secretaries Baker and Samuel Gompers in regard to labor? And the union men were bound from striking?

Mr. PETERS. We didn't understand we were not allowed to strike, but we didn't want to; we had plenty of reasons to strike, but we didn't want to; we wanted to do everything for the advancement of the work, instead of retarding the work, and we wouldn't do that; we would rather suffer anything rather than do anything of that kind.

Mr. McKENZIE. I think you have stated that so far as you were able to observe that the men who were union men were performing faithful work out there?

Mr. PETERS. Fairly so; yes. I am, with a few exceptions.

Mr. McKENZIE. Men with union buttons on.

Mr. PETERS. There was some exceptions, but I regard that due to the fact that there was so many incompetents and it was not worth while to make the supreme effort.

Mr. McKENZIE. In other words, you don't wish to represent to this committee that all union men are perfect, so far as doing a day's work is concerned?

Mr. PETERS. No; I wouldn't say that.

Mr. McKENZIE. And that all outside men were not?

Mr. PETERS. No; all union men are human and some would take advantage of a chance to loaf.

### TESTIMONY OF CAPT. L. H. MOSS, UTILITIES OFFICER AT CAMP GRANT.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Capt. L. H. Moss?

Mr. Moss. That is correct.

Mr. McCULLOCH. As I understand it, you are the utilities officer at Camp Grant at the present time?

Mr. Moss. I am.

Mr. McCULLOCH. Utility officer of what?

Mr. Moss. The maintenance and operation of the camp and utilities—the utilities such as electric light, water system, buildings, sewers, etc.

Mr. McCULLOCH. Do you also keep a list of the surplus building material on hand?

Mr. Moss. Working surplus.

Mr. McCULLOCH. Doesn't that cover everything you have got in the way of surplus materials?

Mr. Moss. Certainly.

Mr. McCULLOCH. At the request of a representative of this committee did you prepare a consolidated report of the surplus building material on hand at Camp Grant under date of November 10, 1919; did you prepare such a report or cause it to be prepared?

Mr. Moss. I don't know what you mean by surplus.

Mr. McCULLOCH. I am reading from the report, which says:

November 10, 1919, utilities department, east area. Consolidated report of surplus building material on hand; quantity; article.

It goes on to specify the various articles that are on hand as surplus or unused building material.

Mr. Moss. I had that report prepared. I don't want to go on record that it is surplus material in every sense of the word.

Mr. McCULLOCH. I don't think it is that important.

Mr. Moss. That is the intention of the report; yes.

Mr. McCULLOCH. What does the report show?

Mr. Moss. The report shows as listed the amount of material on hand in Camp Grant as material which has not been installed in the operation. Of course, in the maintenance in a camp of that size certain materials have to be carried in stock. It is indicated there on the list of materials which are reserved for a two-year supply. In addition to that there is other material—lumber necessary. We



were instructed to make up our list of things that probably would be needed for a two-year period.

Mr. McCULLOCH. So this report is a report of material on hand one year after the camp had been completed?

Mr. Moss. That is correct.

Mr. McCULLOCH. And, as I understand it, the camp would be maintained covering that year out of the materials that were on hand.

Mr. Moss. Yes; the report it shows to-day.

Mr. McCULLOCH. It is a report of the material on hand to-day, the camp having been completed a year ago, is that right?

Mr. Moss. No; part of that material has been shipped in from other camps.

Mr. McCULLOCH. What quantities have been shipped in from other camps?

Mr. Moss. I don't know.

Mr. McCULLOCH. Is there any way of telling?

Mr. Moss. Yes, sir.

Mr. McCULLOCH. From the report?

Mr. Moss. No; it could be told from the record.

Mr. McCULLOCH. I wish you would look at this report and the committee from the recapitulation figures on it what quantities are on hand.

Mr. Moss. I can't tell you; that is a matter of record and has to be compiled; part of that material was left over and was shipped in; there are a number of large warehouses out there, some of which are practically filled; I can answer to the lumber on hand there.

Mr. McCULLOCH. Suppose you look at the lumber items and answer us about that.

Mr. Moss. There was on hand at the time the construction quartermaster turned over his surplus lumber to the utilities department—

Mr. McCULLOCH (interposing). First, when did he do that?

Mr. Moss. I should say around the 20th of August; I am hazarding that guess; I wasn't there at that time.

Mr. McCULLOCH. This year?

Mr. Moss. Yes, sir; 9,698,139 board feet, that is of miscellaneous sizes and length; of that 9,000,000 feet there was sold 3,000,000

Mr. McCULLOCH. To whom was that sold, if you know?

Mr. Moss. To the I. Luria Co.; it was sold through the Phillips & Slesson Co., of Washington.

Mr. McCULLOCH. Who are Phillips & Slesson?

Mr. Moss. As I understand it, they are members of a board appointed to dispose of surplus lumber throughout the Army camps. I think that is correct.

Mr. McCULLOCH. Are they a Government agency or is it a private concern?

Mr. Moss. No, I think, I believe they are representatives of a lumber association which consists of the main lumber producers of the country, such as the Southern Pine Lumber Association.

Mr. McCULLOCH. They are agencies through which the surplus lumber is being disposed of?

Mr. Moss. Yes; that is the same agency through which the lumber was purchased and the War Department, finding they had all this lumber on hand, thought the best way of disposing of the lumber was through the same means through which it was purchased.

Mr. McCulloch. So, if anybody wants to buy lumber they have to buy it through this agency?

Mr. Moss. I don't know.

Mr. McCulloch. Have you the authority to sell it?

Mr. Moss. No, sir.

Mr. McCulloch. Supposing you had surplus lumber on hand which you thought you ought to dispose of; how would you go about doing it?

Mr. Moss. That supposition isn't well grounded.

Mr. McCulloch. Have you that lumber in your charge out there?

Mr. Moss. I have the lumber in charge, but not the disposition of it.

Mr. McCulloch. That is what I want to get at. You are supposed to——

Col. COOPER (interposing). If the committee please, I have charge of that and I will be glad to give you all the information I can.

Mr. McCulloch. I want to get it from this witness and then Col. Cooper will be given a chance.

Mr. Moss. If you will ask me to outline the report instead of asking ambiguous questions, I may be able to explain it.

Mr. McCulloch. Outline it, then.

Mr. Moss. The lumber at Camp Grant, there is a large surplus of lumber there; this surplus is being distributed throughout the various camps, where lumber is needed; that is the first call on the surplus lumber at Grant; we get transfer orders through the Construction Division at Washington authorizing us to ship various shipments to the various points where lumber is needed; that order is a regular transfer order; we receive, through the Construction Division, orders to sell to Phillips & Slesson, to I. Luria Lumber Co., this 3,000,000 feet of lumber and that is the only sale we have handled out there so far: that is the only deal we have handled through the Phillips & Slesson agency.

Mr. McCulloch. You report your surplus lumber to Washington?

Mr. Moss. Yes.

Mr. McCulloch. And Washington orders you to either ship it to another camp if it is so desired or turn it over to somebody else; your duties there are purely ministerial; you carry out the orders given you?

Mr. Moss. That is correct.

Mr. McCulloch. When this sale was made, was any report made by you as to the necessity or advisability of disposing of some of this lumber?

Mr. Moss. No; I was not the utilities officer then.

Mr. McCulloch. Do you know if any such communication was sent out by the utility officer here?

Mr. Moss. I hardly think so, because a canvass was made of the lumber at the various camps and a report made to Washington and if it is found one particular camp needs a certain thing and another camp has it, the transfer is made; we were instructed to make our

request for a two-year supply. I suppose the other camps were visited accordingly.

Mr. McCULLOCH. Requests for lumber?

Mr. Moss. Requests for all supplies.

Mr. McCULLOCH. Go ahead and read the figures and give us information; what further disposition has been made of the lumber that was on hand?

Mr. Moss. I think you have gotten the lumber sold to that company, 3,000,000 feet; we have shipped on transfer orders 1,746,000 feet.

Mr. McCULLOCH. By transfer orders, have you finished that yet?

Mr. Moss. Yes.

Mr. McCULLOCH. By transfer orders you mean orders to ship lumber to other camps?

Mr. Moss. Well, to some other Government project.

Mr. McCULLOCH. It might not have been camps but to some other Government project?

Mr. Moss. We are shipping it to Honolulu; I don't know whether that is a Government camp but it is at least a Government project.

Mr. McCULLOCH. Can you give us some figures from the report from memory where that quantity of lumber was sent?

Mr. Moss. Yes; in part, 1,000,000 feet went to the Mexican border; there are 195,000,000 still to go to the Mexican border; approximately 250,000 feet are to go to Honolulu.

Mr. McCULLOCH. That has not been shipped away yet? It is in process now?

Mr. Moss. Yes.

Mr. McCULLOCH. That is the point; now you are giving us information as to what disposition was made of the 1,000,000 feet.

Mr. Moss. That is correct; another shipment went to Jeffersonville, Ind.; I don't know what that is, and the balance on hand here is 2,951,783 feet. By this balance on hand I mean still available for further sale or diversion to some other camps.

Mr. McCULLOCH. Surplus?

Mr. Moss. Yes, sir.

Mr. Moss. In other words, 7,146,000 feet is obligated; the quantity sold, 3,000,000 feet; the one year's supply, 2,000,000 feet; and the amount shipped on the transfer orders and the sum of those subtracted from the amount we received leaves this balance.

Mr. McCULLOCH. When the lumber is shipped from one camp to another must the order have the O. K. of Phillips & Slesson?

Mr. Moss. It must not. As I understand it, that organization is the functions where the lumber is sold by the Government to our firms.

Mr. McCULLOCH. To the market?

Mr. Moss. Yes, sir; that is my understanding.

Mr. McKENZIE. Isn't it a fact, Captain—I can't see very well—I think you are a captain——

Mr. Moss. Yes, sir.

Mr. McKENZIE. That after the armistice was signed there was an organization formed of lumbermen to handle the surplus lumber?

Mr. Moss. I think the same organization that was created to handle this lumber was created to dispose of it. There may have been a long length of time that they didn't function.

Mr. McKENZIE. That was the lumber committee of the Council of National Defense?

Mr. Moss. Yes, sir.

Mr. McKENZIE. And that was composed principally of lumbermen?

Mr. Moss. I think there were five lumber associations represented on the committee.

Mr. McKENZIE. Now, after the war was over and the armistice was signed, of course, the question of disposing of the surplus was quite a question?

Mr. Moss. Yes, sir.

Mr. McKENZIE. Involving food supplies and all manner of supplies; and when it came to lumber, isn't it a fact they made arrangements with lumbermen to send the lumber out to different localities, and that the Government should pay them 12 per cent as commission for handling them?

Mr. Moss. I don't know about that.

Mr. McKENZIE. I am going to ask you just one question of policy; you are an Army officer: What do you think of the policy of shipping lumber from Rockford, Ill., to Honolulu, with all the great pine forests in the West out on the Pacific coast and the people of Rockford ready to buy this same lumber?

Mr. Moss. That is a question. I think you realize I am in the Army.

Mr. McCULLOCH. How long have you been in the Army?

Mr. Moss. Since July 9, 1918.

Mr. McCULLOCH. What is your age?

Mr. Moss. Thirty-three.

Mr. McKENZIE. Let me ask you one more question: Can you explain to this committee why there is such a large surplus at this camp here?

Mr. Moss. I think the reason, sir; I don't know what the conditions were at this camp; I spent most of my time during the war period in Camp Holabird near Baltimore. We found the lumber would come in in shipments which were very undependable; we would have a famine and then they would just swamp us with lumber.

Mr. McKENZIE. You don't know the reason for it here?

Mr. Moss. No; I have been here only six weeks.

Mr. McKENZIE. Do you know where the firm is located who purchased the 3,000,000 feet?

Mr. Moss. I think their main office is in Chicago.

Mr. McKENZIE. What is the name of that firm?

Mr. Moss. I. Luria Co.

Mr. McKENZIE. You don't know where that firm is located?

Mr. Moss. No; we do all our business with the Chicago office; we have their address at the camp.

Mr. McKENZIE. Do you know any of the members of the firm?

Mr. Moss. Yes, sir.

Mr. McKENZIE. Give us the names of them?

Mr. Moss. Mr. Joseph; there is a local representative here by the name of Mr. Callender; he is out on the job attending to the checking and shipping.

**Mr. McCulloch.** At the request of the committee you brought report on the waterworks, sewer, and roads at Camp Grant, Hartford, Ill., by Alvord & Burdick engineers; I wish you would at this report and tell us whether or not it is an authentic document.

**Mr. Moss.** This is the one I brought in.

**Mr. McCulloch.** And whether it is the report furnished by W. Alvord and Charles B. Burdick, hydraulic and sanitary engineers, Hartford Building, Chicago?

**Mr. Moss.** I don't know if it is. I took it for granted that it is.

**Mr. McCulloch.** It came to you in due course as a report made by them?

**Mr. Moss.** It was handed me by a representative or employee of the office as a report made by them.

**Mr. McCulloch.** We want to read into the record in connection with your testimony from pages 59 and 60.

Records of progress upon two-thirds of the trenching work on sewerage and water supply showed trenching-machine progress as follows:

	Total linear feet.	Total 10-hour working days.	Feet per day.
Average progress of all machines.....	199,568	366	
Best machine average.....	45,300	89	
Second best machine.....	20,604	32	
Best day's work, single machine.....			

The depth of the trenching covered by the records ranged between 3 feet to 6 feet, and probably averaged between  $4\frac{1}{2}$  and 5 feet. The machines used were seven Austin OO gasoline machines, one Austin OOO gasoline machine, one Austin O gasoline machine, one Austin O steam machine, and one Parsons steam machine.

#### UTILITIES DEPARTMENT, EAST AREA.

CAMP GRANT, ILL.

November 10, 1918

#### Consolidated report of surplus building material on hand:

47 bars, transom.	19 bolts, foot.
115 bases, boiler stand.	13,080 bolts, machine.
42 linear feet bases, plain.	3 bolts, slide.
2 bearings, roller.	13 bolts, spacer.
13 bends, 1/16, cast iron.	22 bolts, toggle.
105 bends, 1/8, soil.	123 bolts, thread at both ends.
273 bends, 1/4, soil.	8 bolts, U.
10 bends, 1/4, water main.	85 bolts, spring.
1,157 bibs, hose.	72 bolts, wood.
8 bibs, plain.	558 bowls, closet.
4 bibs, pressure.	42 boxes, shut off, cast iron, B.
6 bibs, soldier.	116 boxes, feed, galvanized.
201 boards, drain.	29 brackets, (adj.).
30,000 square feet plaster board.	220 brackets, drain, broad.
7 heaters, tank No. 170.	12 brackets, girder.
2 boilers, Sexton, copper, 4 gallon.	4 brackets, top radiator.
1 boiler, copper, 25 gallon.	24 brackets, sink.
8 boilers, 150 horsepower.	2 brackets, wall.
80 bolts, carriage.	173 brick, fire.
9 sets bolts, chain.	19 bulbs, plumber, furnace.



- 44 bushings, black.
- 25 bushings, galvanized.
- 158 bushings, radiator.
- 41 butts.
- 19 butts, double acting, spring.
- 50 buttons, turn.
- 56 caps, drip.
- 121 caps, galvanized.
- 131 caps, screw.
- 17 caps, steel.
- 611 casings (millwork).
- 40 catches, door.
- 61 catches, lock.
- 53 catches, transom.
- 7 cement, Crane, 25-pound pails.
- 39 cesspools.
- 15,000 feet chain, bull nose.
- 25 dozen chain, transom.
- 2,440 feet chain, galvanized, ventilator.
- 1 chopper, Buffalo, meat, with motor.
- 1 chopper, Enterprise, meat.
- 1 chopper, meat, J. E. Smith, with motor.
- 42 clamps.
- 10 cocks, corp.
- 6 cocks, pantry.
- 25 cocks, stop.
- 203 cocks, stop and waste.
- 285 collars, nickel plated.
- 1,080 collars, Republic, closet.
- 12 pounds compound, fire extinguisher.
- 1 compressor, air, complete, Bessimer.
- 1 compressor, Worthington.
- 20 conduits.
- 347 connections, flush tank.
- 154 hanks cord, mason's line.
- 826 couplings, black.
- 10 couplings, cast iron.
- 2,795 couplings, galvanized.
- 303 couplings, reducer.
- 110 pieces covering pipe, asbestos.
- 8 pieces covering pipe, hair, felt.
- 22 crosses, cast iron.
- 38 crosses, galvanized.
- 4 crosses, malleable.
- 9 crosses, soil, tapped.
- 24 crossovers, galvanized.
- 470 dampers, stovepipe.
- 1 dish washer, Blakeslee.
- 657 doors, panel.
- 9 doors, clean out.
- 3 doors, closet.
- 4 doors, fire.
- 1 door, garage.
- 28,000 doors, screen.
- 17 doors, toilet.
- 30 doors, veneered.
- 139 doors, warehouse.
- 23 drains, floor.
- 20 drains, refrigerator.
- 9 dressers, hangers.
- 1,264 ells, stovepipe.
- 3 ells, boiler.
- 440 ells, black.
- 13 ells, drainage.
- 4,380 ells, galvanized.
- 103 ells, malleable.
- 17 ells, steam.
- 1 engine, oil, Bessemer.
- 165 rolls asphalt.
- 16 fitting, soil.
- 49 flanges, companion.
- 4 flashings, soil pipe.
- 94 flashings, roof.
- 57 sheets flaxoline.
- 14,191 board feet flooring, maple.
- 88 fountains, drinking.
- 337 frames, complete, with trim.
- 479 frames, door.
- 47 frames, screen.
- 326 frames, window.
- 18 gaskets, copper.
- 2 glass, reinforced, fireproof.
- 3 goosenecks, lead.
- 20 pounds grease, axle.
- 8 gross guides, roller for warehouse doors.
- 552 guides, pipe.
- 103 sacks hair, plaster.
- 15 handles, screen door.
- 4 handles, refrigerator.
- 188 hangers, pipe.
- 50 dozen sets hangers, window screen.
- 26 hangers, trolley, door track.
- 8 hangers, fuse, switch type.
- 88 hangers, pipe, black.
- 28 hangers, pipe, galvanized.
- 57 hangers, trolley track.
- 772 heads, shower.
- 163 heaters, Mueller room.
- 1 heater, Princess.
- 24 heaters, water.
- 22 hinges, screen door.
- 126 hinges, spring.
- 212 hinges, strap.
- 34 gross hooks, coat and hat.
- 27 gross hooks and eyes.
- 83 hydrants, Darling, fire.
- 10 hydrants, Iowa.
- 19 increasers.
- 185 iron angle.
- 383 iron hanger.
- 188 jacks, smoke.
- 136 jambs, door.
- 22 jambs, window.
- 36 joints, expansion.
- 3 kettles, cast iron, Sexton.
- 1 kettle, copper jacketed, 25 gallons.
- 1 kettle, copper jacketed, 40 gallons.
- 1 kettle, copper jacketed, 100 gallons.
- 2 kettles, steam, cast iron, 40 gallons.
- 9,698,139 board-feet lumber; quantity sold, 3,000,000 feet; shipped on transportation order, 1,746,365 feet; utilities, one-year supply, 2,000,000 feet; balance on hand, 2,951,783 feet.
- 26 ladles.
- 2 lamps, Carbic.
- 8 lamps, Mazda, 100 watt.
- 8 lamps.
- 12 lanterns.

38 laths, reinforced, metallic.  
 66 lavatories, trough.  
 220 calking, lead.  
 7 lead, sheet.  
 3 lead, white.  
 6 legs, for boiler stands.  
 11 transoms.  
 1,228 pounds limate.  
 57 locks.  
 2 machines, adding.  
 2 machines, numbering.  
 1 machine, dishwasher.  
 1 machine, paring.  
 1 masher, potato.  
 2 measures, tin, 1 quart.  
 11 mop heads.  
 1 mortise, set inside.  
 5,000 feet molding, screen.  
 330 nails, 8d. flooring.  
 25 pounds nails,  $\frac{3}{4}$ -inch roofing.  
 227 pounds nails, roofing.  
 765 nipples, black.  
 733 nipples, galvanized.  
 1,083 nuts, lock.  
 3 bags, offset.  
 140 gallons oil.  
 4 ovens.  
 247 overflows.  
 4 padlocks.  
 6 wringers, mops, palls.  
 26 cans cement, pipe.  
 105 panes, window.  
 3,667 rolls paper, roofing.  
 2,316 rolls paper, sheathing.  
 801 pins, dowel.  
 154 pipes, no thread.  
 1,368 feet pipe, lead.  
 9,707 lengths pipe, soil, S.H.  
 1,890 lengths pipe, soil, D.H.  
 333 lengths pipe, black, stove, flanges.  
 1,437 feet pipe, black, stove.  
 667 feet pipe, black, stove, joints.  
 2,581 feet pipe, galvanized, smoke.  
 9,240 feet pipe, fir, wire bound, and tarred.  
 10,851 feet pipe, redwood, wire bound, not tarred.  
 3,165 feet pipe, W. I. black.  
 1,044 plates, floor, stove.  
 229 plates, deflector, stove.  
 565 plates, hook.  
 54 plates, wall.  
 169 plugs, cast-iron.  
 50 plugs, soil.  
 3,036 poles, cedar.  
 1 pump, centrifugal.  
 4 pumps, spray.  
 10 pulleys.  
 4 pulls, door.  
 2 rolls quilting, seaweed.  
 191 radiators.  
 6 ranges.  
 90 pounds Venetian red.  
 3 reducers, brass.  
 2 reducers, galvanized.  
 13 reducers, cast-iron.  
 20 reducers, eccentric.  
 124 rings for boiler stand.  
 90 sashes, screen.  
 20 sashes, window.  
 15,647 sashes.  
 29 screens, transom.  
 903 screens, window.  
 4 screens, door.  
 946 screws.  
 324 seats, closet.  
 2 sets, door.  
 588 sets, screen-door.  
 4 sets, swinging doors.  
 125 sheets, galvanized.  
 616 sheets, galvanized iron.  
 7 sills, sub.  
 2,409 sills, window.  
 15 sinks.  
 55 slats for door bolts.  
 18 sleeves, cast-iron water main.  
 4,000 slides, No. 2.  
 9,036 slides, window.  
 11 sockets, window bolt springs.  
 3 kegs spikes, crossing.  
 7 springs, door.  
 1 stair, 1 flight.  
 2 stairs, 2 flights.  
 5 stairs, 5 flights.  
 4 stakes, cyclone fence.  
 2 boiler stands, cast iron.  
 720 standard for caps.  
 2,846 standard for caps, galvanized.  
 250 staples, polished, metal lath.  
 283 pounds staples.  
 10,000 stock for sash.  
 273 stools, window.  
 66 stoves, buck.  
 593 stoves, cannon.  
 7 stops, door.  
 24 stops, window.  
 4 strainers, hose.  
 6 strainers, sink.  
 848 strainers, sink, nickel-plated b.  
 4,200 straps, pipe, galvanized.  
 9 strips.  
 80 strips, oak, rough.  
 50 strips, ripping.  
 96,280 strips, wall.  
 2,000 strips.  
 31 tail pieces.  
 265 tanks, closet, porcelain enamel.  
 2 tanks, Kewanee, hot water.  
 53 tanks, hot water.  
 3 tanks, galvanized iron.  
 568 tees, cast iron.  
 26 tees, cross, galvanized.  
 3 tees, steam, cast iron.  
 10 tees, drainage.  
 5,447 tees, galvanized.  
 3 tees, flange.  
 65 tees, malleable.  
 20 tees, cast iron, soil.  
 1,451 tees, split, brass.  
 112 tees, cap, soil.  
 4 tees, waste, nickel plated, brass.  
 38 tees, cast iron, water main.

458 thimbles, floor.	1,000 ball; twine.
34 thimbles, cylinder.	4 unions, brass.
103 thimbles, ring.	81 unions, Chicago, black.
64 thimbles, plate.	246 unions, galvanized.
100 tile, flue lining.	13 unions, flange.
4,025 tile, building.	198 unions, railroad, black, galvanized, and malleable.
4,000 tile, sewer.	500 urinals, galvanized, latrine.
2 transformers, 400 KVA, complete with oil gauge and thermometer.	3 urinals, porcelain, enameled.
450 transoms.	559 valves, angle, check, gate, globe, reducing, flange, radiator, and safety.
86 traps, bell cesspool.	39 vents, air.
2 traps, slopsink.	1,719 ventilators, galvanized.
3 traps, drainage.	14 wardrobes.
1 trap, lavatory.	200 washers.
587 traps, P.	7 waste sinks.
61 traps, sand.	126 feet water mains, cast iron.
3 traps, steam.	8 weights, window.
11,062 ea. trim (mill work).	229 pounds wire.
1,600 linear feet trim.	4,500 linear feet wire, reinforcement.
1 trough, water.	4 wyes, flange.
343 troughs, eve, galvanized.	200,000 square feet plasterboard.
8 tubes, glass, water gauge.	17 drums oil, transformer, 50 gallons to drum.
13 tubing, nickel plated, brass.	
58 turns, covered.	
2 turnstiles, copper.	

### TESTIMONY OF FRED BECKER, CHICAGO, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your full name?

Mr. BECKER. Fred Becker.

Mr. McCULLOCH. Where do you live?

Mr. BECKER. Chicago.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. BECKER. Yes; I am working there right now.

Mr. McCULLOCH. When did you begin work on Camp Grant?

Mr. BECKER. I was drafted the 3d of October, 1917.

Mr. McCULLOCH. And came to Camp Grant?

Mr. BECKER. Yes, sir.

Mr. McCULLOCH. And have been there ever since?

Mr. BECKER. Yes, sir.

Mr. McCULLOCH. What—were you at any time assigned to inspect plumbing for the construction division?

Mr. BECKER. Yes, sir.

Mr. McCULLOCH. When were you so assigned?

Mr. BECKER. I think it was around the 2d of October I was called to headquarters and told to report for special duty to the construction quartermaster.

Mr. McCULLOCH. Did you act as inspector?

Mr. BECKER. Yes, sir.

Mr. McCULLOCH. What can you tell the committee as a result of your investigations in regard to the men working—waste of time and material and anything of that kind?

Mr. BECKER. I noticed the plumbers were loafing on a couple of occasions and we checked up on it and told the party in charge in the office and I don't know what he done afterwards about it.

Mr. McCULLOCH. Were conditions remedied?

Mr. BECKER. They didn't seem to be.



Mr. McCULLOCH. That condition continued after that?

Mr. BECKER. Several times I noticed it.

Mr. McCULLOCH. Were you instructed to inspect as to the quality of the work?

Mr. BECKER. Yes, sir; to the work.

Mr. McCULLOCH. You were not expected to report the loafing of the idlers on the job?

Mr. BECKER. No, sir.

Mr. McCULLOCH. Have you had any experience as an engineer?

Mr. BECKER. No, sir.

Mr. McCULLOCH. What, if anything, can you tell the committee regard to the nature of the work; give us a general idea of what you found there?

Mr. BECKER. Well, the work seemed to progress at some places and at other places there was traps with a 6-inch run; traps, latrines; in several places there was.

Mr. McCULLOCH. Did you have branches running into the mains.

Mr. McKENZIE. Let the witness testify as to what he knows.

Mr. McCULLOCH. Just tell us what you observed there—I can lead you all the time. What we want to get are the facts of what you know about it out there.

Mr. BECKER. I noticed the sewer work wasn't all put in properly; joints not fitted; we have trouble nearly every month when we have to send out a gang to clean out the sewers.

Mr. McCULLOCH. Anything else?

Mr. BECKER. Sewer covers floating around the camp.

Mr. McCULLOCH. Anything else?

Mr. BECKER. We had to raise the covers 3 or 4 feet in order to get at the sewer to get them cleaned out.

Mr. McCULLOCH. Anything else?

Mr. BECKER. Not that I know of.

Mr. McCULLOCH. I think that is all I want to ask you.

#### TESTIMONY OF PETER YDE, FREEPORT, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. Where do you live, Mr. Yde?

Mr. YDE. In Freeport.

Mr. McKENZIE. How long have you lived there?

Mr. YDE. Eight years.

Mr. McKENZIE. What is your business?

Mr. YDE. I am a foreman for the Gund-Graham Co., paving contractors.

Mr. McKENZIE. Foreman; for what kind of work?

Mr. YDE. Paving contractors, sewer work, and bridge work.

Mr. McKENZIE. Did you do any work at Camp Grant?

Mr. YDE. Yes, sir; I was there for five weeks.

Mr. McKENZIE. At what time?

Mr. YDE. I was there. I guess I came there the 18th of November.

Mr. McKENZIE. What year?

Mr. YDE. Well, it was 1918.

Mr. McKENZIE. 1918?

Mr. YDE. Yes; 1917.

Mr. MCKENZIE. You came there in November?

Mr. YDE. Yes, sir; I worked there until the 25th of December.  
I was only there for five weeks.

Mr. MCKENZIE. Oh, yes; what were you doing?

Mr. YDE. I was doing some road work.

Mr. MCKENZIE. In what capacity, as foreman?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. What did you do; did you drive a team, or have team on the job?

Mr. YDE. No, sir; I did not; I was looking after a gang of men.

Mr. McCULLOCH. You were a foreman?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. And were on the grading?

Mr. YDE. On the grading work.

Mr. McCULLOCH. Was it your duty or the duty of your men to unload and spread the material hauled in there?

Mr. YDE. To spread it there and take care of it, after the teams had dumped it.

Mr. McCULLOCH. Can you tell the committee whether or not the hauling of the material on the ground was done efficiently or whether or not there was idleness among the men or were there teams idle?

Mr. YDE. You must take into consideration that in November and December there were rainy days and it rained a good deal; but I didn't have any supervision over the teams; there was another man that had that.

Mr. McCULLOCH. Will you tell the committee if you saw any idle teams?

Mr. YDE. I saw plenty of teams when they couldn't get out; and then they got back of some of the buildings; if they didn't get caught, they done that.

Mr. McCULLOCH. Did this happen frequently?

Mr. YDE. Why, yes; I saw it quite a few times.

Mr. McCULLOCH. What about the men being idle; were there too many men on the job or too few?

Mr. YDE. No; I didn't have men enough.

Mr. McCULLOCH. Not enough men to take care of the stuff the teams were hauling in?

Mr. YDE. Sometimes 16, 17, or 20 teams came in with material and there wasn't enough material; then if they took the teams off and only left one team haul, then there were too many men for one team.

Mr. McCULLOCH. Are you of the opinion then that the work was not properly balanced?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. To get the most efficient results?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. Sometimes there were too many teams and sometimes too many men; how do you account for that?

Mr. YDE. Because they didn't divide their teams up and send so many to one job.

Mr. McCULLOCH. It is your opinion that the fault was with the supervision and management?

Mr. YDE. Yes, sir; they weren't being handled right.

Mr. McKENZIE. How long have you worked for Gund-Graham Freeport?

Mr. YDE. I worked for Gund-Graham; I worked for them years.

Mr. McKENZIE. They take some very large contracts, do they?

Mr. YDE. Yes, sir.

Mr. McKENZIE. And you are familiar with their way of doing business?

Mr. YDE. Yes, sir.

Mr. McKENZIE. And it was your view of the comparison that drew in your own mind from the way Gund-Graham had handled their business and the way it was handled out here; did you conclude this work at the camp was an inefficient way of doing business?

Mr. YDE. I must say that, but you must take into consideration the wet season.

Mr. McKENZIE. Supposing—let me put it this way—supposing Gund-Graham had been doing the work out here; in your judgment would they have done it in the same way it was done?

Mr. YDE. No, sir.

Mr. McKENZIE. You have worked for them quite a while; you know pretty well?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. Do you remember the occasion when they were grading, of six teams standing in the shade for half a day at a time?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. Where were these teams standing?

Mr. YDE. Well, that was down at Olsen's unit. Olesenar.

Mr. McCULLOCH. Were these teams standing near Ericson's office?

Mr. YDE. I would say about three blocks from there, 1,600 feet.

Mr. McCULLOCH. What was the reason for that?

Mr. YDE. I don't know what was the reason; maybe they were going to ship them to some other place.

Mr. McCULLOCH. But you did see teams standing there?

Mr. YDE. Yes, sir; I did.

Mr. McCULLOCH. And they were idle for that length of time?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. State whether or not as foreman you were permitted to discharge any men?

Mr. YDE. No; I was not; I discharged one man and was told not to discharge any more.

Mr. McCULLOCH. Who told you that?

Mr. YDE. A man they called Peter Weiner.

Mr. McCULLOCH. Who was Peter Weiner?

Mr. YDE. A general superintendent.

Mr. McCULLOCH. You regarded him as your boss?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. And you felt it was up to you to carry out his orders?

Mr. YDE. Yes, sir.

Mr. McCULLOCH. And his order was to discharge no men?

Mr. YDE. Yes, sir.

Mr. McCulloch. What was the effect of that upon the men, if you know?

Mr. Yde. Well, you know when a foreman hasn't the right to discharge any men; he hasn't any control over them.

Mr. McCulloch. Did this order affect your control over the men?

Mr. Yde. Yes, sir; it certainly did; we didn't get anywhere.

Mr. McCulloch. Tell the committee just what effect it had?

Mr. Yde. It had that effect that if I told the men to do something; I told a man to do something one time, and he told me to go to hell; that is just plain; that is plain.

Mr. McCulloch. Plain, unvarnished.

Mr. Yde. Yes, sir.

Mr. McCulloch. Do you remember the occasion when there were four steam rollers with operators standing idle for two weeks?

Mr. Yde. Not four; there were three; there was three steam rollers; that was in the main camp.

Mr. McCulloch. There were three steam rollers?

Mr. Yde. Three steam rollers.

Mr. McCulloch. In the main camp?

Mr. Yde. In the main camp; for about close to two weeks.

Mr. McCulloch. Standing idle for that length of time?

Mr. Yde. Yes, sir.

Mr. McCulloch. Did they have operators on them at the time?

Mr. Yde. There was operators on each roller.

Mr. McCulloch. They weren't doing anything?

Mr. Yde. No, sir; only one roller; they worked that there about a day and a half.

Mr. McCulloch. Do you know how much the Government was paying for the steam rollers per day?

Mr. Yde. Only what I heard.

Mr. McCulloch. What did you hear?

Mr. Yde. \$20 or \$25 a day.

Mr. McCulloch. You don't know of your own knowledge what they were paying?

Mr. Yde. No; I do not.

Mr. McCulloch. But you do know that they were standing there idle?

Mr. Yde. Yes, sir.

Mr. McCulloch. What do you say as to whether or not the work on that job was conducted as work on a private contract would be conducted, as to the handling of men, the supervision and the handling of material and teams?

Mr. Yde. A private contract would be handled different.

Mr. McCulloch. Will you tell us just how it would be handled differently, so that we can get the distinction?

Mr. Yde. There would be only one man supervising it, and also, he would have the authority; he would send the men home if it rained and next morning he would call them back, but you couldn't do that in a place like Camp Grant.

Mr. McCulloch. What was the situation at Camp Grant?

Mr. Yde. They would try to work the best they could. If it was muddy and you couldn't work, under a private contract they wouldn't work.

Mr. McCULLOCH. But at Camp Grant they got in their time that it?

Mr. YDE. Yes, sir; we done the best we could under the condition.

Mr. McCULLOCH. Was the object of it to yet in your time or to effective work?

Mr. YDE. Well, we done all we could.

Mr. McCULLOCH. You couldn't do the work properly under conditions?

Mr. YDE. No, sir.

Mr. McCULLOCH. Can you give us any other instance?

Mr. YDE. Between private contract and this one?

Mr. McCULLOCH. Yes, sir. Was there the same supervision of work and checking up of the work at Camp Grant that there would have been under a private contract, in your judgment?

Mr. YDE. No; I don't think so, because in a private contract a man generally does all the checking up himself. There is one man who does all the checking up himself.

Mr. McCULLOCH. Have you any other instances that you can bring to the attention of the committee that might throw some light on how the work was conducted out there?

Mr. YDE. Well, as far as that, I don't think generally that the laborers as well as the workmen, were just as good as you find under a private contract. For instance, under a private contract the man hires his own men, and if a man is a good concrete man he will use him on concrete, and if he is good on grading he will use him on grading; he will classify his men. You get a first-class concrete man and he is no good, maybe, on some other line.

Mr. McCULLOCH. Would you say on this job there was not a proper classification of men?

Mr. YDE. There was not.

Mr. McCULLOCH. And that resulted in inefficiency?

Mr. YDE. Yes, sir.

Mr. MCKENZIE. Did you ever receive any orders from your superiors over there that if you wanted to discharge any man from your gang that it should be done through the superintendent. You should report to somebody else?

Mr. YDE. No, sir.

Mr. MCKENZIE. You never received any such orders as that?

Mr. YDE. No, sir.

Mr. MCKENZIE. Do you have any knowledge or experience with reference to idle teams when they were standing there idle, when they were teams that had been let off the job in such instances whether they were still on the job?

Mr. YDE. They were teams that were hauling gravel.

Mr. MCKENZIE. They were on the job?

Mr. YDE. Yes, sir.

Mr. MCKENZIE. You have made some statements about steam rollers there and not being used, was that on account of condition of the ground?

Mr. YDE. Yes, sir.

Mr. MCKENZIE. Was there any reason why they were not being used?

Mr. YDE. Why, they couldn't be used; it was too wet. As I stated a minute ago, there was a lot of rain every forenoon or every noon and you couldn't use them. They were put on planks and if they ran off a plank they couldn't roll because they would just push the mud ahead of you.

Mr. McKENZIE. Do you know of your own knowledge whether or not the Government was paying for those rollers regardless of whether they were being used or not?

Mr. YDE. I do not.

Mr. McKENZIE. You don't know anything about that?

Mr. YDE. I do not.

### TESTIMONY OF BURT TUSLER, FREEPORT, ILL.

(Witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Where do you live?

Mr. TUSLER. Freeport.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. TUSLER. Yes, sir.

Mr. McCULLOCH. When did you work there?

Mr. TUSLER. In October, 1918.

Mr. McCULLOCH. For how long?

Mr. TUSLER. One week.

Mr. McCULLOCH. What did you work at?

Mr. TUSLER. I worked at the excavator.

Mr. McCULLOCH. Under what contractor?

Mr. TUSLER. Ericsson.

Mr. McCULLOCH. What, if anything, did you observe about the teams being idle or busy?

Mr. TUSLER. Well, I figured there was too many teams for what work there was for them. That was my idea.

Mr. McCULLOCH. And what was the result of that as you observed, having too many teams for the work to be done.

Mr. TUSLER. Well, there was bound to be some idle.

Mr. McCULLOCH. About how many would you say they had there too many?

Mr. TUSLER. Well, I couldn't make an estimation on that, because there was too much changing around.

Mr. McCULLOCH. Would you say a half, third, or a fourth?

Mr. TUSLER. I would hate to say. I would hate to make an estimation on that.

Mr. McCULLOCH. You were only there for a week you say?

Mr. TUSLER. Yes, sir.

Mr. McKENZIE. Did you say you only worked a week?

Mr. TUSLER. Yes, sir.

Mr. McKENZIE. Did you quit of your own accord?

Mr. TUSLER. Yes, sir.

Mr. McKENZIE. You weren't discharged?

Mr. TUSLER. No, sir.

Mr. McKENZIE. Do you know whether or not the idle teams you saw there were continued on the job or were they teams that had been laid off?

Mr. TUSLER. I didn't understand.



Mr. McKENZIE. You spoke about seeing idle teams there at camp, do you know whether or not those idle teams had been charged from the service or whether they were still on the pay roll.

Mr. TUSLER. Why, from my knowledge I would judge they were on the pay roll.

Mr. McKENZIE. You don't know about that?

Mr. TUSLER. No, sir; I don't know.

### TESTIMONY OF AUGUST THIEL, ROCKFORD, ILL.

(Witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Where is your home.

Mr. THIEL. Rockford.

Mr. McCULLOCH. What is your business?

Mr. THIEL. Carpenter.

Mr. McCULLOCH. How long have you been working at the painter trade.

Mr. THIEL. Fifteen years.

Mr. McCULLOCH. Fifteen years?

Mr. THIEL. Yes, sir.

Mr. McCULLOCH. Are you a contractor as well as a carpenter?

Mr. THIEL. No, sir.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. THIEL. Yes, sir.

Mr. McCULLOCH. When did you work there?

Mr. THIEL. From about the 20th of July, 1917, until the 17th of November.

Mr. McCULLOCH. You were working under the Bates & Rogers Construction Co.?

Mr. THIEL. Yes, sir.

• Mr. McCULLOCH. What were you doing?

Mr. THIEL. Carpenter work.

Mr. McCULLOCH. How long did you work under the Bates & Rogers Co.?

Mr. THIEL. From about July 20 until the 17th of November.

Mr. McCULLOCH. You were in a carpenter gang were you? you men were in one gang?

Mr. THIEL. Well, I was in various gangs—the first foreman I was with—it varied from about 20 to about 35 and sometimes 40.

Mr. McCULLOCH. What were the qualifications of the men?

Mr. THIEL. Well, they were very poor, because he was a new man and he got the men that the others wouldn't keep; they transferred them.

Mr. McCULLOCH. Tell us what percentage of them were qualified and what percentage were not qualified.

Mr. THIEL. When I first came out there he says, "Are you a painter?" I says, "Yes." "Good," he says; "I have only got a few now and I want to get some more."

Mr. McCULLOCH. Four out of how many?

Mr. THIEL. Four out of 18.

Mr. McCULLOCH. And he said only four of them were carpenters.

Mr. THIEL. That is what he said.

Mr. McCULLOCH. Tell the committee whether the others were being carried on the pay roll as carpenters.

Mr. THIEL. Yes, sir; they were. They were represented as carpenters.

Mr. McCULLOCH. What did you observe with reference to the work being done by these men?

Mr. THIEL. Well, it was rank. I should say that if you tried to do anything they would all either want to help you or they would watch you, so that you would be doing the work and they would be watching you, either one of the two.

Mr. McCULLOCH. And the effect of it was that the carpenters were interfered with.

Mr. THIEL. Well, they were interfered with, or it made you so you didn't want to be interfered with at all, because if you started to do something there would be two or three men start to help you and four or five watching you, and you would feel just as though you were in the way, I did anything, and I told the foreman.

Mr. McCULLOCH. What did the foreman say?

Mr. THIEL. He told me he would get a carpenter's partner to work with me, but he told somebody else that he would put some of these bums on with me.

Mr. McCULLOCH. What was the effect of this situation on the men who did want to work?

Mr. THIEL. Well, the effect was that they got out of that gang as soon as they could, and I, also.

Mr. McCULLOCH. Then where did you go?

Mr. THIEL. Under a man by the name of Joe Mulhern.

Mr. McCULLOCH. What was the situation there?

Mr. THIEL. Well, they were all carpenters. He wouldn't have anything to do with anybody but carpenters.

Mr. McCULLOCH. Did you do better work with that gang?

Mr. THIEL. Well, at least, we had the freedom of working, and the man that gave us orders knew his business.

Mr. McCULLOCH. Suppose you didn't feel like working?

Mr. THIEL. Well, you at least were told that there was something for you to do, and he was there to watch you.

Mr. McCULLOCH. At the other place you weren't even told that?

Mr. THIEL. No, sir.

Mr. McCULLOCH. Was there a good deal of idleness on that job?

Mr. THIEL. There was lots of it because of the fact the men didn't know what to do, some of them, and the others wouldn't work. I know one man told me he didn't come to work, he said, at Fort Harrison, they didn't work Sundays, they went down in a field, and he said they weren't going to work at Camp Grant either. Whenever the foreman would come around he would move, and he wouldn't work when he wasn't there watching him.

Mr. McCULLOCH. Was the foreman on the job right along?

Mr. THIEL. The foreman would walk upstairs, and as soon as his back was turned and he wasn't watching them they would stand still, they would make a move to be going somewhere, but they didn't do anything.

Mr. McCULLOCH. What do you say to the committee as to whether or not the work done on that job under Bates & Rogers was the kind of work that would have been done under a private contract?



Mr. THIEL. Well, under a private contractor they would have responsible men in there, and they would, at least, have had character enough to have weeded these men out or give them something to do that they could do.

Mr. McCULLOCH. But under the situation, as it prevailed at Camp Grant, that wasn't done?

Mr. THIEL. They couldn't either see it or didn't want to see it. It was a proposition that was all wrong. These men came on horseback, and you couldn't tell what was in their minds. Of course, some men would move when they saw them coming, and it wasn't noticed, but I should think that the supervisor would be deeper than that if he was responsible.

Mr. McCULLOCH. What about discharging men?

Mr. THIEL. Why, it seemed to be a prevalent idea that they would lay off good men as well as poor men and hire about as many as that same day. There was common talk there about that.

Mr. McCULLOCH. Have you worked on a good many jobs?

Mr. THIEL. I have, yes, sir.

Mr. McCULLOCH. Been a carpenter how many years?

Mr. THIEL. I have been a carpenter for 15 years and I learned the trade before that as a stair builder.

Mr. McCULLOCH. Did you ever see anything like the conditions prevailing at Camp Grant?

Mr. THIEL. Not quite as bad. I have seen big construction at the Northwestern University, where the men would loaf when they would get the opportunity, but if they were caught they were on the job for good.

Mr. McCULLOCH. What was the situation at Camp Grant?

Mr. THIEL. Well, it seemed like they could go right back to the employment office and go to work again right away. I know Mulhern discharged one man three times, he couldn't get rid of him if he came right back.

Mr. McCULLOCH. What if anything did you observe as to the waste of material on that job?

Mr. THIEL. Why, the waste of material, in my opinion, so far as lumber was concerned, it was cracked and couldn't be used to any advantage and it would be thrown down, a lot of men who didn't know anything about it would throw the lumber down flat and it would split in pieces and couldn't be used and it went to the waste heap.

Mr. McCULLOCH. There was considerable waste?

Mr. THIEL. There was waste in that way. I couldn't say how much of it, there would be a wagon load of waste off a building, some of it would be muddy and some of it would be split boards.

Mr. McCULLOCH. You didn't know what became of that lumber?

Mr. THIEL. I would notice that these inexperienced men would throw lumber down flat, and that would break it generally.

Mr. McCULLOCH. So you think the waste was largely due to the inexperience of the workmen?

Mr. THIEL. That is, the breaking of the long boards.

Mr. McCULLOCH. And the poor grade of the lumber?

Mr. THIEL. Poor grade of lumber.

Mr. McCULLOCH. Do you remember the occasion when there was a large barracks being built, when they had 34 carpenters on the

Mr. THIEL. Yes; I have worked on several large barracks with that many men, and sometimes more.

Mr. McCULLOCH. Would you say that was too many or too few on the job?

Mr. THIEL. Well, I would say it was too many. You couldn't work to any advantage at all. You would have to get out of one another's way sometimes, and sometimes they would be just about balanced right.

Mr. McCULLOCH. There were occasions then when there were too many men on the job?

Mr. THIEL. Yes, sir; there were.

Mr. McCULLOCH. On those large barracks where they had 34 carpenters, how many carpenters would you say could have done the work effectively?

Mr. THIEL. Well, at times we had carpenters and they were all working, and at times maybe two-thirds of the men would have done the work just as quick without exerting themselves, because these men would be told to do something and they wouldn't know what it was, and naturally they didn't do much.

Mr. McCULLOCH. Are there any other matters or situations that you can bring to the attention of the committee that might throw some light on how the work was done out there?

Mr. THIEL. Well, only one thing that appears to me, that one of the superintendents, if he didn't know these things at first hand he knew it later—I observed that two men cut out a little miniature bungalow, about that long [indicating], and they worked on it two weeks.

Mr. McCULLOCH. A miniature bungalow?

Mr. THIEL. Yes, sir; and they put furniture in it, etc.

Mr. McCULLOCH. What was it, a toy house?

Mr. THIEL. It was a toy house, and they put on it, "Mr. Ames's Home," hand carved, over the door.

Mr. McCULLOCH. Was this all done on Government time?

Mr. THIEL. It was done in the barracks, and if it wasn't done on Government time I don't know; they had the buttons on, anybody that was working for Bates & Rogers had the button, and if he didn't work for them he had no business with their button on; but whether they worked for them I couldn't say.

Mr. McCULLOCH. They were in the camp?

Mr. THIEL. They were in the camp and they were working out of their own unit. They were working in our building, where we were working.

Mr. McCULLOCH. How many men worked on that?

Mr. THIEL. Two men.

Mr. McCULLOCH. How long did they work?

Mr. THIEL. They worked there close to two weeks.

Mr. McCULLOCH. Making this toy house and the furniture for it?

Mr. THIEL. Yes, sir.

Mr. McCULLOCH. Did they fit it out pretty completely?

Mr. THIEL. I would like to have had it, they were good mechanics.

Mr. McCULLOCH. Can you give us the date of that, about?

Mr. THIEL. That was in the latter part, that was about in October some time.

Mr. McKENZIE. What year?

Mr. THIEL. 1917.

Mr. McCULLOCH. Do you know under what foreman they working?

Mr. THIEL. No; they were out of their own unit; didn't belong to our unit. They weren't in our unit at all, because we asked them.

Mr. McCULLOCH. You worked in what unit?

Mr. THIEL. I don't know what number the unit was; I worked Ames's unit. He had two units at the time, and they came from elsewhere.

Mr. McCULLOCH. And they were doing this work in your unit?

Mr. THIEL. Yes, sir.

Mr. McCULLOCH. Did they say under whose direction they were doing it?

Mr. THIEL. No; they didn't say. They didn't say that.

Mr. McCULLOCH. Do you know whom they were working for?

Mr. THIEL. No; I don't know who they were doing it for, but I know that they had Ames's name there on the bungalow when they got it finished.

Mr. McCULLOCH. Ames was your unit superintendent; is that right?

Mr. THIEL. Yes; and he was getting this, together with a watch and chain that they collected for him when he left.

Mr. McCULLOCH. This was one of the presents that was tendered him; is that correct?

Mr. THIEL. Yes, sir.

Mr. McCULLOCH. And the two men who were working on this two weeks had the badge on of Bates & Rogers, and they were doing it on the job in your unit at the camp?

Mr. THIEL. Yes, sir.

Mr. McCULLOCH. And so far as you know anything about it, were they on Government time?

Mr. THIEL. So far as I know.

Mr. McCULLOCH. How about the material used?

Mr. THIEL. It was only scrap material, and some of it was brought into camp because it was lumber that wasn't on hand.

Mr. McKENZIE. Do you know their names?

Mr. THIEL. No, sir; we couldn't get their names.

Mr. McKENZIE. Who was your foreman?

Mr. THIEL. Joe Mulhern.

Mr. McKENZIE. Will you say that these men were working on Government time?

Mr. THIEL. I'll say on the strength of the fact we had orders that they were not working for the Government or under Bates & Rogers; they were not to have those badges. On the strength of that I would say they were.

Mr. McKENZIE. Did you pay anything to get your job over them?

Mr. THIEL. No, sir.

Mr. McKENZIE. Do you know anybody that did?

Mr. THIEL. No, sir. I know of an instance, but it was to get a particular man's gang, and that man skipped shortly after, and got lost out, but that wasn't through any office.

Mr. McKENZIE. You don't know whether there was any arrangement in that camp whereby a man was discharged and hired back again?

Mr. THIEL. Well, I know of cases.

Mr. McKENZIE. Or of paying anything to get back?

Mr. THIEL. No; not paying anything.

Mr. McKENZIE. Are you a union man?

Mr. THIEL. Yes, sir.

Mr. McKENZIE. Are you working at your trade now?

Mr. THIEL. Yes, sir.

Mr. McKENZIE. Where are you working, here in Rockford?

Mr. THIEL. Yes, sir.

Mr. McKENZIE. What wages are you earning now?

Mr. THIEL. Eighty cents.

Mr. McKENZIE. Eighty cents an hour?

Mr. THIEL. Yes, sir.

Mr. McKENZIE. Do you know how many buildings were put up at Camp Grant during the time that you were there?

Mr. THIEL. No, I don't; I heard there was 2,500, but I don't know; I couldn't say.

Mr. McKENZIE. You say the lumber was very poor?

Mr. THIEL. Yes, sir; some of it was very poor.

Mr. McKENZIE. Well, do you understand that the lumber for these camps was allocated to the camp by what is known as the lumber committee of the Council of National Defense of the War Industries Board?

Mr. THIEL. Well, I understand that now, but at the time I didn't know; we were told the Government was buying it direct from the mills.

Mr. McKENZIE. Well, it is set out in a report of the Council of National Defense of the War Industries Board, telling how they were organized and what character of work they did, the fixing of the price of lumber and the allocating it to these different camps. Now we had one witness testify before this committee in connection with a certain camp, in which he said among other things, that it was of such a poor character that if you threw a board off it was sure to split, the only question being whether it would split straight or crooked. Is that about the kind of lumber you had out there?

Mr. THIEL. No; it was such a grade of lumber that it was good for many purposes, but we were given this hemlock lumber to make sash slides and the like of that and it was so slivered and splintered up you would throw away two or three pieces before you would get a good piece, and then you would drive a nail into it and it would split. It was good lumber for certain purposes, but it wasn't good lumber for all the purposes it was used for out there.

Mr. McKENZIE. Do you know anything about lumber being taken out of the scrap piles and used for certain work around any of the buildings there?

Mr. THIEL. No; when I worked under one foreman we would take some of these pieces and lay them aside and then they would be used afterwards.

Mr. McKENZIE. Do you know whether or not the scrap pile out there was ever sorted?

Mr. THIEL. No; it was never sorted to my knowledge. When I worked near the river I have seen it heaped up and some set fire to.

Mr. McKENZIE. Have you been out there working?

Mr. THIEL. I have been out there right along from that until last fall.

Mr. McKENZIE. Is the scrap pile still there?

Mr. THIEL. Why, I did see some there a couple of months. That has been made since, though.

### TESTIMONY OF MR. W. BRUCE DEAN, ROCKFORD, ILL.

(Witness being duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Where do you live, Mr. Dean?

Mr. DEAN. 330 Albert Avenue, Rockford, Ill.

Mr. McCULLOCH. What is your business?

Mr. DEAN. Carpenter contractor.

Mr. McCULLOCH. You have been a contractor, have you?

Mr. DEAN. Yes, sir; and am now.

Mr. McCULLOCH. And you are a journeyman carpenter?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. How long have you worked at the trade?

Mr. DEAN. About 30 years.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. When did you begin working there?

Mr. DEAN. In the fore part of September, 1917.

Mr. McCULLOCH. And how long did you remain there?

Mr. DEAN. Until about the middle of December—I think it 1918 instead of 1917.

Mr. McCULLOCH. You began in September, 1917?

Mr. DEAN. In 1918.

Mr. McCULLOCH. Did you work at any time under the Bateman Rogers Co.?

Mr. DEAN. No, sir.

Mr. McCULLOCH. It was all under the Henry Ericsson Co.?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. You were a carpenter foreman, as I understand it?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. How many men did you have under you?

Mr. DEAN. Why, as a general rule, about 19 or 20.

Mr. McCULLOCH. Upon whose unit were you a foreman?

Mr. DEAN. Mr. Nielson.

Mr. McCULLOCH. Did you ever work on the Winslow unit?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Or the Olson unit?

Mr. DEAN. Well, Mr. Nielson was assigned to the Olson unit at the armistice was signed and I worked then in the Olson unit.

Mr. McCULLOCH. Did you have a pretty good gang?

Mr. DEAN. Quite a good gang; yes, sir.

Mr. McCULLOCH. Did you make an effort to have your gang made up of competent men?

Mr. DEAN. I did; yes, sir.



**Mr. McCULLOCH.** When you would get a man on your gang who wasn't doing the work, would you be able to get rid of him?

**Mr. DEAN.** I told Mr. Nielson I wouldn't use him and that I wanted him transferred.

**Mr. McCULLOCH.** What would happen to the man who would be transferred?

**Mr. DEAN.** He would be put on somebody else's gang.

**Mr. McCULLOCH.** I wish you would tell the committee what, if anything, you observed in regard to men loafing on the job and being idle.

**Mr. DEAN.** Well, there were quite a number of men that loafed on the job. They would come in the latrines and smoke cigarettes instead of working, and, of course, if we found any of those men in there at any time it was our business to see that they got out and got to work, and lots of times they refused to, and would tell you to go to hell, or some other things, that they didn't have to if they didn't want to.

**Mr. McCULLOCH.** Would you be able to discharge them then?

**Mr. DEAN.** No, sir.

**Mr. McCULLOCH.** Why not?

**Mr. DEAN.** We had orders not to discharge anybody.

**Mr. McCULLOCH.** I wish you would tell about that. Who did you get those orders from?

**Mr. DEAN.** Mr. Nielson gave them to me.

**Mr. McCULLOCH.** What did he say?

**Mr. DEAN.** I discharged one man and he came to me and wanted to know what the reason was. I told him that he wasn't a competent carpenter and that I didn't want him on my gang and that I considered it my right to discharge him. He said it wasn't. He said he had orders to discharge no man. I told him then if he didn't discharge him I wanted him transferred somewhere else, that I wouldn't use him, that I would either quit myself or I would have good carpenters. I didn't want men that weren't carpenters.

**Mr. McCULLOCH.** Did you get him discharged then?

**Mr. DEAN.** I did.

**Mr. McCULLOCH.** And he went to work some place else?

**Mr. DEAN.** Yes, sir.

**Mr. McCULLOCH.** Was this loafing and idleness within the knowledge of Mr. Nielson?

**Mr. DEAN.** It was reported to him several times and I think Mr. Nielson tried to do the best he could to remedy it. I think he had the same orders not to discharge any man.

**Mr. McCULLOCH.** And the effect of that would be what?

**Mr. DEAN.** Well, all the men were very independent and wouldn't mind anything you would say.

**Mr. McCULLOCH.** Do you know of any instances where men would check in as laborers in the morning and then leave the job for the day?

**Mr. DEAN.** No; I don't think they would leave the job for the whole day, because the checkers came around in the middle of the forenoon and the middle of the afternoon after their little checks, and if they weren't on the job then, as I understand the system, they didn't get any pay for it.

Mr. McCULLOCH. Do you know of them leaving the job for considerable length of time between checks?

Mr. DEAN. Well, as I said, most of their loafing was in the trines, or up amongst the hills and the trenches.

Mr. McCULLOCH. What do you mean by among the hills?

Mr. DEAN. Well, this Nielson unit was right up on the hills and the trenches were and they could go on the other side of the hills and in the trenches. There was a lot of trenches around there.

Mr. McCULLOCH. Did they do that?

Mr. DEAN. I know of several instances where they did that.

Mr. McCULLOCH. Nature had provided a place?

Mr. DEAN. It seems like it, and the trenches that the soldiers dug there.

Mr. McCULLOCH. Did you know of any instances where men stood in with their foreman or were reported to have stood in with their foreman and thereby received favors?

Mr. DEAN. Why, one or two.

Mr. McCULLOCH. Will you tell the committee about it?

Mr. DEAN. There was one place where there was one of these checkers, that there was a man stood in with him and he checked the little white ticket two different times that I know of, and the man wasn't on the job at all. That was two different forenoons.

Mr. McCULLOCH. That was that forenoon?

Mr. DEAN. That was one of the checkers. He was a little completed fellow.

Mr. McCULLOCH. Was he a Government checker or the contractor's checker?

Mr. DEAN. I wouldn't say; he was one of the fellows that checked these little tags; he came around and he punched those little cards and took them up twice a day.

Mr. McCULLOCH. You were a foreman. Was it your duty to check the time of your men?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. How did you keep the time?

Mr. DEAN. I had a card I was supposed to make out every day of the men that were on the job, and how many hours they were on the job, and give them full time for the time they were there. Overtime, time and a half, and Sundays, double time.

Mr. McCULLOCH. What did you do with your report? Did you turn it over to anybody?

Mr. DEAN. Yes; there was a man came around every evening and took these reports and there was a Mr. Miller that oversaw the work.

Mr. McCULLOCH. Did he represent the contractor?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. And he would take the time?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Did he check the men himself?

Mr. DEAN. No.

Mr. McCULLOCH. He took your word for it?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. How about the Government checkers; did they come around?

Mr. DEAN. Well, now, I wouldn't say; I think that this Mr. Miller was the Government checker; he was the man that took these cards.

Mr. McCULLOCH. Was there any other man, then, took the cards or got the time?

Mr. DEAN. Not to my knowledge. There was these little booths where the men checked in in the morning and out at night.

Mr. McCULLOCH. Mr. Miller remained in the booth?

Mr. DEAN. Yes, sir; and the men would go up there and check in and go up and check out.

Mr. McCULLOCH. But you also kept the time?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. What did you do with your report?

Mr. DEAN. I took them to these little booths, and then these men came and got them every night and took them away.

Mr. McCULLOCH. To Miller?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. So that, in addition to the fact that the men would go to the booth and check in and then would go to the booth and check out, you kept the record as to whether or not they were on the job?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Was there any other record?

Mr. DEAN. As I say, these men came around to check in the middle of the forenoon and in middle of the afternoon. Each man had a slip.

Mr. McCULLOCH. Did they check the individual man?

Mr. DEAN. Yes, sir; supposed to. They came around on the job and hollered, and if the man heard them he would give them this little check, and if he didn't hear him sometimes and didn't get his little white check they would take this man's word, and if there was anything wrong with his check it was held to be wrong, rather than our report. Our report was supposed to be always accurate, is the idea.

Mr. McCULLOCH. What would you say about the system; was it effective or not?

Mr. DEAN. Why, it didn't seem to me that those fellows that came around to do this checking could see every man. If a man was working, they wouldn't be able to see the man always. A good, conscientious man, if he is working hard, lots of times was missed by these checkers. Some of my best men were missed several times by these checkers.

Mr. McCULLOCH. As a practical man that has had experience both as a carpenter foreman and as contractor, what would you say as to whether or not the work on the job was done in an efficient and proper manner, with proper supervision?

Mr. DEAN. Well, I don't think that it was done with the interest that it would have been done if it had been a contract job.

Mr. McCULLOCH. That is, a private contract on a lump sum basis?

Mr. DEAN. Yes, sir. It might not have been done intentionally, but it wasn't watched with the efficiency that it would have been watched if it was contract work. They would have lost a lot of money there by contract work.



Mr. McCULLOCH. What about delay?

Mr. DEAN. Well, as I said before, there was lots of inefficient working there, and that always causes delay.

Mr. McCULLOCH. If it had been done under a lump sum contract in your judgment, would it have been done quicker as well as cheaper?

Mr. DEAN. I think so; yes, sir.

Mr. McCULLOCH. What did you observe as to waste of material?

Mr. DEAN. Well, incompetent men always waste material because they always cut lots of lumber that a competent man won't.

Mr. McCULLOCH. Was that true of Camp Grant?

Mr. DEAN. Yes, sir; and they did lots of work where a competent man would have to go at it and tear that work down and do it right.

Mr. McCULLOCH. Were the methods of the workmen extravagant that is, cutting into good lumber for small pieces and that sort of thing; did that occur—because of incompetent men?

Mr. DEAN. Yes, sir; a good conscientious carpenter won't cut a good piece when he can find another piece that will do just as well.

Mr. McCULLOCH. An incompetent fellow either doesn't know or doesn't care, is that right?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Was that true at Camp Grant?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. And it resulted in inefficiency and waste?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Much waste or little?

Mr. DEAN. Why, quite a considerable, considering the incompetent men that were there.

Mr. McCULLOCH. What if any instructions were given about that do you know?

Mr. DEAN. Why, lots of times Mr. Nielson would come around and tell us fellows to watch the men the best we could and not let them waste any more lumber than possible. I told him it would be pretty hard to watch all these incompetent men and he said: "Do the best you can," and I told him I would.

Mr. McCULLOCH. What about the waste of nails, was there much waste of nails there?

Mr. DEAN. Well, yes; quite a good deal. In the first place, the nails weren't properly housed. If a keg of nails sets out in the street they soon become rusty and the carpenters are disgusted with rusty nails and they get a handfull of rusty nails and don't want to use them and throw them away. I have seen that lots of times.

Mr. McCULLOCH. Would the nails have been handled under a private contract the way they were under this contract?

Mr. DEAN. I don't think so, it wouldn't have been advisable.

Mr. McCULLOCH. Did you ever notice laborers congregated around a gang gambling?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Tell about that.

Mr. DEAN. It was quite a common occurrence to go into a saloon and find them shooting dice there. I have heard some fellows make the statement: "There goes the last of my week's wages."

Mr. McCULLOCH. Were they there on Government time gambling?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Do you know whether or not this practice was within the knowledge of the contractor and his agents?

Mr. DEAN. I don't know about the contractor, but I know that I reported that to Mr. Nielson two or three times.

Mr. McCULLOCH. With what result?

Mr. DEAN. I went right down there once, and I fired three or four men right out; I said I wouldn't have them around.

Mr. McCULLOCH. Well, did that stop the gambling?

Mr. DEAN. Some, not altogether. Of course, there was lots of times when we couldn't watch them.

Mr. McCULLOCH. What, if anything, did you observe in regard to the teamsters killing time?

Mr. DEAN. Well, I don't know whether it was really the fault of the teamsters, but I noticed lots of times teams would be standing waiting to be unloaded of lumber and the men would be standing around on the other side of the barracks, not knowing what to do—that is, laborers—and you ask them if they wouldn't go up and unload that team, and "You go to hell, I don't have anything to do with you," that is the answer I would get.

Mr. McCULLOCH. Could such a thing, in your judgment, or would such a thing happen under a lump-sum contract?

Mr. DEAN. Well, if I had had the authority to fire those men, I would have fired them right there.

Mr. McCULLOCH. But you didn't have the authority to fire them under the order of the contractor. What that right?

Mr. DEAN. Why, if I had a chance to fire a man when he would tell me to go to hell, I would do it pretty quick.

Mr. McCULLOCH. Who had charge of the hiring of the carpenters under the Bates & Rogers contract; do you know?

Mr. DEAN. I worked under Ericsson.

Mr. McCULLOCH. Under the Ericsson contract, do you know?

Mr. DEAN. Why, I think the man's name was Gray.

Mr. McCULLOCH. Mr. Gray?

Mr. DEAN. I think so.

Mr. McCULLOCH. What you say as to his ability or as to his being qualified to hire carpenters?

Mr. DEAN. Well, he hired most anybody that came along that claimed they were carpenters.

Mr. McCULLOCH. With what result?

Mr. DEAN. I don't think he questioned any of them at all. They went to work and drew their 70 cents an hour.

Mr. McCULLOCH. And they weren't qualified?

Mr. DEAN. He sent me lots of them that I wouldn't have.

Mr. McCULLOCH. What is your judgment of the carpenters that were hired there and went on the various jobs; what percentage of the carpenters that were hired and put in the rolls were qualified?

Mr. DEAN. Well, I have heard somebody make the statement that it was 50 per cent that were not qualified, but I would hardly think that.

Mr. McCULLOCH. Well, was the percentage of those who were not qualified large or small?

Mr. DEAN. I couldn't say more than 25 per cent.

Mr. McCULLOCH. What about the cement blocks; did you observe any waste of cement blocks?

Mr. DEAN. Well, I believe I told that man the other night he was up to my house, about some cement blocks that were in trenches there, I asked Mr. Warner for the privilege of bringing cement blocks home to use as a foundation for houses. I told I would see that the teams got them out of their way and he "We wouldn't bother with anything of that kind at all. We all cover them up in the trench and let them go."

Mr. McCULLOCH. Was that done?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. How many of them were there, in your opinion?

Mr. DEAN. Why, I told him I thought there was enough there nearly three foundations for small houses.

Mr. McCULLOCH. But he wouldn't take the trouble to take them out; just covered them up?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. Under whose orders were they covered up?

Mr. DEAN. Mr. Warner's.

Mr. McCULLOCH. Representing the contractor?

Mr. DEAN. Yes, sir.

Mr. McCULLOCH. That is Ericsson & Son Co.?

Mr. DEAN. Yes, sir.

Mr. McKENZIE. Do you know to whom those blocks belonged?

Mr. DEAN. I do not.

Mr. McKENZIE. You don't know whether they belonged to the Government or to the contractors?

Mr. DEAN. Well, I presume likely they belonged to the Government; they were in the Government trenches that we covered up those trenches that the Government had built for practice purposes.

Mr. McKENZIE. Do you know whether Mr. Ericsson had jurisdiction over those or not?

Mr. DEAN. I do. I asked Mr. Warner about it and he said, "We wouldn't bother about it."

Mr. McKENZIE. Was it one of his foreman who ordered them covered up or a Government man?

Mr. DEAN. It was Mr. Ericsson's man.

Mr. McKENZIE. If they belonged to the Government why, of course Mr. Ericsson's man couldn't sell them to you.

Mr. DEAN. No, I asked him if there was some way to find out, he said, "No, we wouldn't bother with them at all, just cover them up."

#### TESTIMONY OF MR. GORDON LYDDON, ROCKFORD, ILL.

(Witness being duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is?

Mr. LYDDON. Gordon Lyddon.

Mr. McCULLOCH. Where do you live, Mr. Lyddon?

Mr. LYDDON. 1804 West State Street.

Mr. McCULLOCH. Rockford, Ill.

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. When did you begin work there?

Mr. LYDDON. In the fall of 1917.

Mr. McCULLOCH. September?

Mr. LYDDON. I couldn't state the exact time, but soon after.

Mr. McCULLOCH. How long did you work there?

Mr. LYDDON. Up until I think it was November of the next year.

Mr. McCULLOCH. 1918?

Mr. LYDDON. 1918.

Mr. McCULLOCH. Did you work under Bates & Rogers?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. And you worked under Ericsson?

Mr. LYDDON. No, sir; under Superintendent Renwick of the Bates & Rogers Co., not under Ericsson at all, I was in the Army at that time.

Mr. McCULLOCH. Did you work with Bates & Rogers until their contract was completed?

Mr. LYDDON. Yes, sir; until the base hospital was finished.

Mr. McCULLOCH. When was that about?

Mr. LYDDON. I went December the 7th, 1917, and it was before that time.

Mr. McCULLOCH. You worked for them about three months, or four?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. What would you say about the idleness of men on that job; can you tell the committee about it?

Mr. LYDDON. As far as laborers, we were very short of laborers the first part of the contract; when I went on there we had plenty of laborers and we laid them off right and left for quite a time; that was the instructions if they weren't working, and I did and after that it got so they were scarce, and my instructions from Supt. Renwick was not to lay off a man until I found out thoroughly that he was no good; to change him around under another foreman until it was seen that he wasn't earning his money.

Mr. McCULLOCH. You were a general labor foreman?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. What kind of work were you doing?

Mr. LYDDON. We were putting in all the mud sills for all these buildings, through the west section, and also through the base hospital, and out around in the convalescent quarter. We also handled lumber for the carpenters.

Mr. McCULLOCH. That is, you carried lumber to them?

Mr. LYDDON. To the carpenters on the job.

Mr. McCULLOCH. What would you say as to the number of carpenters that were employed?

Mr. LYDDON. There were far too many, as high as from 20 to 25 men on the side of a roof, where they should have either 8 or 10 men, who could have handled it easy. They were so close that there was hardly 3 feet of space between each man.

Mr. McCULLOCH. What was the result of that?

Mr. LYDDON. In each other's way; they couldn't help it.

Mr. McCULLOCH. Did it delay the work?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. What was the size of that roof that you saw these 20 to 25 men on?

Mr. LYDDON. Well, they were regulation barracks; I think they run somewhere around 150 to 200 feet, I am quite sure, some of the big barracks.

Mr. McCULLOCH. That is one side?

Mr. LYDDON. That is just one side, up to the ridge.

Mr. McCULLOCH. And you say there were far too many men for that job?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. And they couldn't work to advantage and get on in each other's way?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. What about the steamfitters?

Mr. LYDDON. It was common talk among the steamfitters that no man would do more than the other, and if he did and kept it up he was sure to be let out; they weren't able to have a pacemaker in the crowd.

Mr. McCULLOCH. The pacemaker got fired?

Mr. LYDDON. He got fired.

Mr. McKENZIE. By whose orders; by his foreman?

Mr. LYDDON. No; but they had it, they made it so, with the men working with him that it was more the men's fault than it wasn't the foreman's fault, but they had a kind of a blacklist would kind of blacklist him so that he couldn't stay on the job as the rest of the men were. It wasn't the fault of the foreman; it was the fault of the steamfitters themselves.

Mr. McKENZIE. Were they fired, discharged, any of them?

Mr. LYDDON. I can't specify any particular instance, but I know of it having been said that they were fired.

Mr. McKENZIE. You have heard that they were?

Mr. LYDDON. Yes, sir.

Mr. McKENZIE. But you don't know anything about it?

Mr. LYDDON. No, sir.

Mr. McKENZIE. Did you ever have any experience as a carpenter?

Mr. LYDDON. Yes, sir.

Mr. McKENZIE. You have worked at that trade?

Mr. LYDDON. Yes, sir.

Mr. McKENZIE. So that you would be able to judge some of the men about the number of men that ought to be on a certain sized job?

Mr. LYDDON. Yes, sir; I think I ought to.

Mr. McKENZIE. How long did you work at the carpenter trade?

Mr. LYDDON. I worked since I was 16 years old, and I am still present, and I lost the last two years in the Army.

Mr. McCULLOCH. Did some of the men that were working on the job as laborers that were let out get on as carpenters; did you ever see that occur?

Mr. LYDDON. Yes, sir; I did. We lost some of the best men we had handing up lumber. As a general rule we would try to get the men or use the men that could distinguish best between the different stickings. The floor and the drop siding would be two different kinds of sticking. The matching wouldn't be the same as if you had a man bright enough to pick out those different kinds of lumber, be able to hand them up—sometimes you would get one lot of lumber of one sticking and, right after, another lot of another

and of course it was impossible to get the matching to come up tight—and you get a man to pick that lumber out who knew his business, and it wouldn't be long before he would quit and get work as a carpenter. I saw one carpenter come back with a hammer and a square and a meat saw.

Mr. McCULLOCH. And a meat saw?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. And that man was employed as a carpenter?

Mr. LYDDON. Yes, sir; and I saw many a man who would pick up a rip saw for a cross saw and couldn't tell the difference and would use it as such.

Mr. McCULLOCH. Yet they were carried on the rolls as carpenters?

Mr. LYDDON. Yes, sir.

Mr. McCULLOCH. How long have you worked as a carpenter?

Mr. LYDDON. Since I was 16 years' old. I worked from the time I was 16, and I am now 29.

Mr. MCKENZIE. How old are you?

Mr. LYDDON. Twenty-nine.

Mr. MCKENZIE. Do you belong to the union?

Mr. LYDDON. No, sir.

Mr. MCKENZIE. Are you a nonunion man?

Mr. LYDDON. No, sir; I worked for my father—he was in the general contracting business—as a partner with him up to the time the camp started, and then I went down there for further experience, if I could get it. That was my main idea in going down there.

Mr. MCKENZIE. Now, in regard to that building, with reference to the number of men on that roof, can you tell about what the size of that building was?

Mr. LYDDON. It was one of the biggest barracks down there.

Mr. MCKENZIE. Do you know how long they are?

Mr. LYDDON. No, sir; I can't state for sure. I think they are something over a hundred feet. I should know that, because I laid out a good many of those foundations and footings, but it has slipped my mind.

Mr. MCKENZIE. You know they are over a hundred feet long?

Mr. LYDDON. I think they are; I am not positive about that; it has slipped my mind at present.

#### TESTIMONY OF MR. THOS. F. LIGGETT, FREEPORT, ILL.

(Witness duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is?

Mr. LIGGETT. Thomas F. Liggett.

Mr. McCULLOCH. Where do you live, Mr. Liggett?

Mr. LIGGETT. Freeport, Ill.

Mr. McCULLOCH. 271 Elk Street?

Mr. LIGGETT. Yes, sir.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. LIGGETT. Yes, sir; I worked from the last week in July, 1917, until the 1st day of December, 1917. I returned again the last week—the middle of August, 1918, and stayed there until the 21st day of January, 1919.



Mr. McCULLOCH. You worked, then, under Bates & Rogers?

Mr. LIGGETT. Under Bates & Rogers I had two teams, and under Ericsson I had four teams.

Mr. McCULLOCH. Now, while working under Bates & Rogers you see any idle teams?

Mr. LIGGETT. Any idle teams under Bates & Rogers?

Mr. McCULLOCH. Yes.

Mr. LIGGETT. Well, under Bates & Rogers I hauled water for most of the time I was working for them, and they took me away but men have often talked about seeing idle teams and seeing to shirking and killing time.

Mr. McCULLOCH. That is, under the Bates & Rogers contract?

Mr. LIGGETT. That is under Bates & Rogers. I didn't see it myself for I was hauling water most of the time.

Mr. McCULLOCH. What did you observe under Bates & Rogers contract as to too many men on the job?

Mr. LIGGETT. Well, I saw 50 men on one mess hall; at least I said it was 50 men. It was on the north side of Service Street the last addition they built; they said there was 50 men. I was putting in stoves and ice boxes at that time and hauling them.

Mr. McCULLOCH. You heard there were 50 men on that job, but you did observe them on the job?

Mr. LIGGETT. Yes; I didn't stop to count them, but I was sure there were 50.

Mr. McCULLOCH. Did you observe as to whether they were able to do efficient work, that many men on a job?

Mr. LIGGETT. I can't, of course, because I am not a carpenter.

Mr. McCULLOCH. Did they seem to be in one another's way or did they seem to be too few?

Mr. LIGGETT. Well, they were pretty well crowded.

Mr. McCULLOCH. What is your judgment about it?

Mr. LIGGETT. My judgment is that, if I was a contractor, I would not have had that many men on the job for an economical contract.

Mr. McCULLOCH. Under the other contractor, what did you observe with reference to the number of men on the job?

Mr. LIGGETT. Well, for one instance, under Mr. Ericsson, on Eleventh or Twelfth Street—I wouldn't be certain which—and there were so many men around the wagons they were in each other's way. I was doing scraper work right there and the boss sent in parties and they came down and told me about it. He was a Swede—a Swede, if I am not mistaken—and he told me why did you send them in. They couldn't use them, afraid they would cut up another's hands and feet with the shovels. In a little while they came back again. I asked them what was the matter, and he said, "There it is; I send them in and they send them out"; he says, "don't give a damn if there is 700 of them around any more."

Mr. McCULLOCH. Who said that?

Mr. LIGGETT. The boss.

Mr. McCULLOCH. And he was working under whom?

Mr. LIGGETT. He was working on the Ericsson contract, helping to grade that street. I think there was three or four bosses there; there was Bill House, of Janesville, and Fred Paul, from Aurora; I think it is, and another fellow.

Mr. McCULLOCH. Have you worked on contracts?

Mr. LIGGETT. I am a contractor myself.

Mr. McCULLOCH. Have you done contract work?

Mr. LIGGETT. Yes, sir; I have.

Mr. McCULLOCH. As a contractor?

Mr. LIGGETT. Yes, sir; that is, as a teaming contractor, railroad digging and hauling dirt.

Mr. McCULLOCH. I wish you would tell the committee, in the light of your experience as a contractor, whether or not, in your judgment, under the Bates & Rogers contract, whether the work under it was being conducted as it would have been conducted if they had been working under a lump-sum contract?

Mr. LIGGETT. Well, as I told you before, I wasn't around to get to see under the Bates & Rogers contract as much as I was with the Ericsson contract, because I was working with George Rice; he was my foreman on the cement work, and I hauled the water to him and I didn't get the chance to get around much, but I was on the job under Ericsson for 15 months. I have seen those grading machines go out on a job and sometimes maybe work one or two hours a day, and maybe in the evening they would level up what the men had done, which they could have just as well done during the day, instead of standing there all day doing nothing, practically.

Mr. McCULLOCH. You don't think it was efficiently or properly handled, is that right?

Mr. LIGGETT. I think it was very improperly handled.

Mr. McCULLOCH. What would you say as to the waste of materials?

Mr. LIGGETT. Well, under Ericsson's contract, toward the last I was transferred on to a box wagon, one of them big boxes, and I had to check up scrap lumber for a few days. I wasn't over there long, and I have hauled all lengths of good boards right to the scrap-lumber pile and thrown them on the scrap-lumber pile and hauled them to the dump on the east side of Eleventh Street, and piled them up and saw them burned up.

Mr. McCULLOCH. Good material?

Mr. LIGGETT. Good material; nothing was the matter with it except it had been laying in the mud and had probably been walked on, but it wasn't anything but what the rain would wash off and just as good and maybe better than you could buy in the lumber yards in the city.

Mr. McCULLOCH. Did you regard that as good material?

Mr. LIGGETT. Yes, sir; I advised a friend of mine to buy that scrap pile for \$300, knowing what was in it.

Mr. McCULLOCH. What did you observe with reference to the teams being idle under the Ericsson contract?

Mr. LIGGETT. I was sent up to the Read unit one day on the east side of Eleventh Street to haul out the lumber that was taken up there that hadn't been used after the armistice was signed, and when I got there I found men and teams and everybody standing behind the barracks and not working at all. In fact, I was there from 1 o'clock until about 4 before I got a load, and then only got a jag.

Mr. McCULLOCH. What about steam rollers? Do you know anything about steam rollers?



Mr. LIGGETT. Well, I see steam rollers hanging around and I see them stuck; not properly handled, I thought. They would be stuck when the ground was too soft and it would be a big loss to the camp.

Mr. McCULLOCH. Did you have any conversation with the foreman under the Ericsson contract with the Ericsson Co. with regard to discharging men, orders that they had received?

Mr. LIGGETT. It was generally known throughout the camp; the only conversation I had was out at Eleventh Street, the man I talked with told me he had sent them in and they were sent right back. I saw them going in and saw them coming back. A bunch of men came and he said he had orders not to discharge any more, and he said he didn't care if there was 700 hanging around.

Mr. McCULLOCH. What, if anything, do you know about teams checking in in the morning, then loafing around during the day and checking out at night?

Mr. LIGGETT. Well, I have known of teams, been told by men that they would check in and go down to New Milford and get their teams shod and by the time they would get them shod they would come back and check out.

Mr. McCULLOCH. And be paid for the day?

Mr. LIGGETT. Yes, sir; under Bates & Rogers you had to check in and check out again. You couldn't beat the game as easy as under Ericsson. Under Ericsson there was checker come around with a white ticket, but if he didn't get that white ticket we were supposed to turn it in ourselves, which I have done lots of times when he missed me when I wasn't right there.

Mr. McCULLOCH. What would you say to whether these circumstances you have detailed to the committee were within the knowledge of the contractor or his agent, his foreman?

Mr. LIGGETT. Well, I think the subbosses knew all about it.

Mr. McCULLOCH. Knew all about it?

Mr. LIGGETT. I think they did because they had caught a Chicanian coming back from New Milford and he still worked at the camp.

Mr. McCULLOCH. He was still retained at the camp?

Mr. LIGGETT. Yes, sir; he told me he was caught; told me we were not going to try it again.

Mr. McCULLOCH. Are there any other instances you can bring to the attention of the committee that might throw some light on this subject?

Mr. LIGGETT. I know the bosses under Ericsson wasn't near the bosses they were under Bates & Rogers, that they didn't handle the job with the same push and vigor and especially after the armistice was signed.

After the armistice was signed everything slept. It was better than enough before. When I first came to work at Camp Grant I used to check in down at the quartermaster's office and I would turn right around and go back down to my work right away, and after a while I had to go a mile and a half, a mile anyway, the consequence of which was the loss of an hour's work every day.

Mr. McCULLOCH. Would that happen under a lump-sum contract in your judgment?

Mr. LIGGETT. No, sir; it would not.

Mr. McCulloch. What year was that in?

Mr. Liggett. It was in the fall of 1918 and the winter of 1919, it run over.

Mr. McCulloch. That is, after the armistice was signed?

Mr. Liggett. After the armistice was signed; yes, sir.

Mr. McCulloch. If you had had that under a lump-sum contract, would you have stood for what was going on?

Mr. Liggett. No, sir; I would not have.

Mr. McKenzie. You spoke about teams being idle near some concrete mixers, hauling material to concrete mixers, do you know whether there was any reason for their being idle—was the machinery out of repair or anything of that sort? Was the concrete mixer idle?

Mr. Liggett. Why, I don't remember of speaking about the concrete mixer. Under Bates & Rogers I hauled water for the concrete mixer, and the man that I worked under was George Rice, of Rockford, and I stayed right by him, and I don't think I mentioned any teams being idle around the concrete mixer.

Mr. McKenzie. Well, I misunderstood you. Do you know whether or not that pile of scrap lumber to which you hauled good boards and pieces of timber was ever culled?

Mr. Liggett. No, sir; I do not.

Mr. McKenzie. Or sorted?

Mr. Liggett. No, sir; I do not; the one I hauled so many good boards to was still at the camp the last time I was there, on the east side of East Service Street, and the other one where I saw the stuff burned up was on the east side of Eleventh Street—two different dumps altogether.

Mr. McKenzie. Well, now, when was it you were hauling this scrap lumber?

Mr. Liggett. Well, it must have been along in—let's see, the latter part of December and the first of January, along in there, maybe it wasn't until after January.

Mr. McKenzie. In what year?

Mr. Liggett. In December it would be 1918, and after that it would be 1919.

Mr. McKenzie. You have had no experience as a carpenter?

Mr. Liggett. No, sir; I have not.

Mr. McKenzie. Do you know how the teams were checked? There has been testimony as to the manner of checking the men. Were the teams checked in the forenoon and afternoon?

Mr. Liggett. The teams were supposed to be; all teams were checked in at 7 o'clock by going by a booth: that is, when I first came out there they were checked in by going by a booth and then wouldn't be checked out again until evening.

Mr. McKenzie. Checked in in the morning when they went to work by driving past this booth?

Mr. Liggett. Yes, sir; but after a while you had to check in in the morning along about 10 o'clock or the middle of the forenoon, there was a Government checker came along with a white ticket, and you had to hand him that white ticket, and he punched that, and in the afternoon he used to come, too, but if you missed him all you had to do was to take the brass check and the white check and hand it in to him in the evening.

## TESTIMONY OF MR. JAMES ILER, RIDOTT, ILL.

(Witness duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. In what capacity?

Mr. ILER. As a carpenter.

Mr. McCULLOCH. Where do you live?

Mr. ILER. I live at Ridott, Ill.

Mr. McCULLOCH. When did you begin work there?

Mr. ILER. The 26th of June, 1917.

Mr. McCULLOCH. How long did you work there as a carpenter?

Mr. ILER. I worked there until August and then quit, and started on again until—

Mr. McCULLOCH (interposing). 1917?

Mr. ILER. Yes, sir; and worked there until September, 1918.

Mr. McCULLOCH. Who was your foreman when you first worked there?

Mr. ILER. When I first went there I worked for Bates & Rogers, Charlie Buchanan. I was under him.

Mr. McCULLOCH. How many men did you have in your gang?

Mr. ILER. When I first started there was six of us.

Mr. McCULLOCH. Did the gang later increase?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. To what amount?

Mr. ILER. Well, when I was working with Bates & Rogers it creased to eight.

Mr. McCULLOCH. Was that the most you had on any gang you were working for Bates & Rogers; eight men?

Mr. ILER. Yes, sir; it was.

Mr. McCULLOCH. How many of them were qualified carpenters?

Mr. ILER. All of us.

Mr. McCULLOCH. Did you work later on any gang where there were not qualified carpenters?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. And under whom did you work then?

Mr. ILER. I worked under Beckstrom.

Mr. McCULLOCH. Beckstrom, the contractor, you mean?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. How many men did you have under Beckstrom that were qualified carpenters, and how many were not qualified carpenters in the gang?

Mr. ILER. There was about 15 of us was union men.

Mr. McCULLOCH. What were the others?

Mr. ILER. The others were nonunion men; I don't know what they would call them.

Mr. McCULLOCH. How many were there?

Mr. ILER. Well, they run all the way from three of us on the low as high as 30.

Mr. McCULLOCH. When did you quit under Bates & Rogers?

Mr. ILER. In August, 1917.

Mr. McCULLOCH. Why did you quit?

Mr. ILER. Because I wasn't satisfied with the work I was getting.

Mr. McCULLOCH. Will you tell us about it?

Mr. ILER. Well, I hired out as a carpenter, and wound up as a tool stamper, to put "U. S. A." on the tools. I wasn't satisfied with the job, and quit.

Mr. McCULLOCH. How did the change occur?

Mr. ILER. Well, it was a lack of material, as far as I know; they didn't have the material; they had a lot of these tools out, and they wanted them in, so they detailed me and three other men one morning, with a team, and sent us out gathering up tools, which the laborers would work with and then throw them down, quit the job, and go off. They had a lot of these tools scattered all over the ground, and they wanted them picked up, and so they gave me a team and three men, and we started out to gather them tools. We gathered tools for about three or four weeks, and I got disgusted with the work and went home.

Mr. McCULLOCH. Why weren't you kept as a carpenter; there was plenty of work to do, wasn't there?

Mr. ILER. Why, I don't know.

Mr. McCULLOCH. Did you say that they ran short of materials?

Mr. ILER. No; they didn't.

Mr. McCULLOCH. You were a qualified carpenter?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. Under the Beckstrom contract you say there were many men who were not qualified?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. And that there were about 15 qualified carpenters to about how many that were not qualified on your gang?

Mr. ILER. Well, it run different. I said there were 15 union men and a lot of them that were not union men, running all the way from 3 to 30 of us in the gang.

Mr. McCULLOCH. Well, I am only interested now, of course, as to whether they were qualified or not, not as to whether they were union men.

Mr. ILER. Well, they weren't all qualified carpenters.

Mr. McCULLOCH. How many of them on that gang were qualified carpenters and how many were not qualified carpenters?

Mr. ILER. There were 15 of them.

Mr. McCULLOCH. There were 15 of them that were not qualified?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. What was the effect of having men working as carpenters that were not qualified?

Mr. ILER. Well, it was that the men who understood their work were bothered by those who did not understand their work.

Mr. McCULLOCH. What do you mean by that?

Mr. ILER. Well, if you were framing a window and a fellow came along and said, "How do you do this and how do you cut that?" you can't get along with your work.

Mr. McCULLOCH. It interferes with your work, is that right?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. What effect did it have?

Mr. ILER. Well, it bothered you and delayed you, and, of course, they weren't doing anything while they were talking to you.

Mr. McCULLOCH. So that there was a double loss there?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. And all of them were drawing carpenter wages?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. Is that right?

Mr. ILER. Yes, sir.

Mr. McCULLOCH. Now, when you went to work for Ericsson—

Mr. ILER (interposing). I didn't work for Ericsson.

Mr. McKENZIE. I want to ask you one question; how long did you say you were employed in checking up tools around that camp?

Mr. ILER. Well, about three or four weeks; I could tell by looking it up if I had my time book here.

Mr. McKENZIE. And you had a team and three men with you?

Mr. ILER. Yes, sir.

Mr. McKENZIE. How many loads of tools did you bring in a day?

Mr. ILER. Well, on the first half day we got two loads and the afternoon we got five loads the first day, and three loads the second day of tools we gathered up around the grounds.

Mr. McKENZIE. And then after that how many loads a day did you average for the month?

Mr. ILER. Well, we gathered up all these tools we could find and then they gave us a steel stencil and a burning iron, and we would stamp these tools with "USA" on the shovels, and we would stamp "USA" on the shovel handles on everything that we gathered up.

Mr. McKENZIE. How long did you work there?

Mr. ILER. Oh, I don't know; about a month, I guess, we stamped those tools; we stamped all the tools on the grounds and put them into the barracks where there was lots of tools stored, and we stamped all those tools, too.

Mr. McKENZIE. You were stamping a good deal of your time rather than hauling in?

Mr. ILER. Yes, sir; gathering up the tools and stamping. I must have been two months at it.

Mr. McKENZIE. You are a nonunion carpenter?

Mr. ILER. I am a union carpenter.

#### TESTIMONY OF D. L. HARE, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Where do you live?

Mr. HARE. 2518 Knight Avenue.

Mr. McCULLOCH. How long have you lived there?

Mr. HARE. About three years.

Mr. McCULLOCH. What do you do; what is your business?

Mr. HARE. Carpenter.

Mr. McCULLOCH. How long have you been working at the carpenter trade?

Mr. HARE. About five years, five or six years, close on to six years.

Mr. McCULLOCH. Had you finished learning your trade?

Mr. HARE. Yes, sir; I consider myself a practical man, hold down most any job in that line.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. HARE. Yes, sir.

Mr. McCULLOCH. When did you start to work there?

Mr. HARE. I started on the Fourth of July, 1917.

Mr. McCULLOCH. Under whom did you work?

Mr. HARE. The first part I worked under Mr. Haines; I only worked there a short time.

Mr. McCULLOCH. How long did you work there?

Mr. HARE. About three weeks.

Mr. McCULLOCH. You say you were on the job about three weeks?

Mr. HARE. Three weeks there; yes, sir; and then I was discharged by a fake foreman who thought he was a carpenter and discharged me, which is the only time I have ever been discharged in my life; and I went over to work under Mr. Thurston.

Mr. McCULLOCH. Under Bates & Rogers, contractors?

Mr. HARE. Yes, sir.

Mr. McCULLOCH. How long did you stay with him?

Mr. HARE. Until about the middle part of September of the same year.

Mr. McCULLOCH. And then where did you go?

Mr. HARE. I went to Nashville, Tenn., and from there to the Du Pont Powder people.

Mr. McCULLOCH. You didn't come back, then, and work at Camp Grant at any time, did you?

Mr. HARE. Not until Ericsson started; then I came and started to work for him.

Mr. McCULLOCH. When did you start to work for him?

Mr. HARE. I don't remember the month, but it was in the spring—early spring of 1918.

Mr. McCULLOCH. How long did you work for Ericsson, about?

Mr. HARE. I don't know; it was close to two months.

Mr. McCULLOCH. How long did you say you worked for Ericsson?

Mr. HARE. About close to two months, I should judge.

Mr. McCULLOCH. As a carpenter?

Mr. HARE. Yes, sir.

Mr. McCULLOCH. While you were working for Bates & Rogers what did you observe as to the kind of carpenters that were employed—as to their being competent or otherwise?

Mr. HARE. Well, I should say 50 per cent of them were very poor carpenters.

Mr. McCULLOCH. Fifty per cent? .

Mr. HARE. Yes, sir.

Mr. McCULLOCH. By poor carpenters, what do you mean?

Mr. HARE. Well, part of them would probably pass if they had had anything like second-grade carpenters; some men naturally could mill on rough lumber, and things of that kind. As it was, they were drawing first-class carpenter's wages—journeymen's wages.

Mr. McCULLOCH. They were all drawing journeymen carpenters' wages?

Mr. HARE. Yes, sir.

Mr. McCULLOCH. And 50 per cent of them, you say, were not content?

Mr. HARE. Yes, sir; I should say half that number would probably have been called little more than laborers, because they were handy men, but no carpenters.



Mr. McCULLOCH. And how about the balance?

Mr. HARE. Well, they were no carpenters at all; they were farmers and everything else.

Mr. McCULLOCH. What would you say as to whether or not there were more men on the job than there should have been?

Mr. HARE. Well, I don't know if they were all carpenters, I think you could have used them, I never was on any job but what there was the right number of men on it.

Mr. McCULLOCH. What was the effect of having these incompetent men upon the job?

Mr. HARE. Well; I don't think they bothered the men much asking questions or anything, but it sort of degraded them to think that somebody else was making the same money they were, they had to do the work, I know a lot of good conscientious workers who would have done more work if they were paying these other men 20 cents an hour less they would have felt better about it.

Mr. McCULLOCH. If this contract was being done on a lump-sum basis, would such men have been employed, in your judgment?

Mr. HARE. No, sir; not at the regular wages. One job I worked on for one engineer they had two classes of carpenters, one at 65 cents an hour and one at 25 cents an hour and in that way they handled them pretty well.

Mr. McCULLOCH. But these men were all on at the same wage?

Mr. HARE. Yes, sir; at the high wages.

Mr. McCULLOCH. What, if anything, did you observe under the Bates & Rogers contract as to the work being improperly or inefficiently done, or otherwise?

Mr. HARE. Well; for about six weeks I was in the inspection going over the buildings that were supposed to be completed and finished, and every window, door, and brace had to be fixed over windows and doors would stick, braces with one spike in them, such work as that.

Mr. McCULLOCH. Under what contractor was that?

Mr. HARE. That was under Bates & Rogers.

Mr. McCULLOCH. What was the rule under Bates & Rogers as to the discharging of men?

Mr. HARE. I have heard different foremen say they couldn't discharge their men but simply transferred them to somebody else.

Mr. McCULLOCH. Did they say they had orders not to discharge any men?

Mr. HARE. No; they didn't say that.

Mr. McCULLOCH. Just said they couldn't do it?

Mr. HARE. Said they couldn't do it.

Mr. McCULLOCH. What did you understand when they said they couldn't do it?

Mr. HARE. Well, I naturally understood they had orders not to do it if they didn't have orders not to, they could do it.

Mr. McCULLOCH. Who was the foreman that told you that?

Mr. HARE. Fred Gorham; he claimed to be an old man with Bates & Rogers Co.

Mr. McCULLOCH. Do you know of men being transferred to other gangs from your gang?

r. HARE. We had an exceptionally good gang, the 25 men we had; and up to the time I started to inspect we had lots of poor men; and they were later transferred, because I see them on the job but not in our gang.

r. McCULLOCH. State whether or not to your knowledge the reason was not to discharge men but to transfer them?

r. HARE. That is what I took it to be; to keep them on the job.

r. McCULLOCH. To keep them on the pay roll; is that it?

r. HARE. Yes, sir.

r. McCULLOCH. Why were you discharged in July?

r. HARE. Well, we were laying a subfloor and it didn't seem to be a very particular job, as anybody would know that was a carpenter's job, in fitting up around the joists or studding, I didn't take much time to make a good joint, we would cut it somewheres near, and use the wainscoating and the second floor covered it all up. He told me about it several times and I thought it wasn't necessary, and I kept on doing it my way because I knew it was saving money and it was just as good and pretty soon he brought a little ticket and told me to go and I went and hired out that afternoon.

r. McCULLOCH. Where?

r. HARE. At the same place. I told the fellow I hired out to go to it and he sent me over to a different unit.

r. McCULLOCH. You were taken right back on the same job under the same contractor?

r. HARE. Yes, sir.

r. McCULLOCH. Who was the foreman who fired you?

r. HARE. I think his name was Beck or Becker, I am not sure, but I called him "Beck."

r. McCULLOCH. Who was the foreman who employed you?

r. HARE. Fred Gorham.

r. McCULLOCH. You told him the circumstances of what had happened and he took you back on the work?

r. HARE. Yes, sir; he laughed at him.

r. McCULLOCH. Why did you quit in September?

r. HARE. To go into the Army, and then I went down and commenced to work for the DuPont Engineering Co.; they were building a big powder plant at Nashville, Tenn.

r. McCULLOCH. Are you a union carpenter?

r. HARE. Not now; I was when I worked at Camp Grant.

r. McCULLOCH. How old are you?

r. HARE. Twenty-one.

r. McCULLOCH. You were in the Army?

r. HARE. Yes, sir.

r. McCULLOCH. How long were you in the Army?

r. HARE. About four months, I think it was.

r. McCULLOCH. When did you go into the Army and when did you get out?

r. HARE. I got out this spring, in January.

r. McCULLOCH. You were discharged, is that it?

r. HARE. Yes, sir.



## TESTIMONY OF A. D. BROWN, NEW MILFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. Where is your home?

Mr. BROWN. At Camp Grant, at the remount depot; the remount station is on our land.

Mr. McKENZIE. Where do you live when you are at home?

Mr. BROWN. New Milford, right by the depot, where we have 5 acres and a quarter. When I sold to the Government and we leased it I told them I would lease it providing I should hold 5 acres out, and they took me up with that understanding, and they wanted to buy it there was  $5\frac{1}{4}$  acres and a house.

Mr. McKENZIE. You were familiar with carrying on this prior to the time of the location of the camp?

Mr. BROWN. Yes, sir.

Mr. McKENZIE. Did you lease the land to the Government?

Mr. BROWN. Yes, sir; the Government got 251 acres.

Mr. McKENZIE. And then afterwards sold all of it except the 5 acres?

Mr. BROWN. Yes, sir.

Mr. McKENZIE. And your land lay right alongside of the camp?

Mr. BROWN. The camp proper is north of me about half a mile, the auxiliary remount is right on our land and there is about 5 acres which they are on.

Mr. McKENZIE. Well, you were quite an extensive farmer and you farmed on that land, weren't you?

Mr. BROWN. Well, I could do it easy enough.

Mr. McCULLOCH. Did you work at Camp Grant at any time?

Mr. BROWN. Yes, sir; once a year I would go up there and I had a team, and I would put them up there to work where the racks were; they started the last of August or the first of September and worked up to the 1st day of November, the team did.

Mr. McCULLOCH. 1917?

Mr. BROWN. 1917.

Mr. McCULLOCH. That is under the Bates & Rogers contract?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. What did you observe as to the number of teams on the job; were there too many or too few?

Mr. BROWN. Well, down at our end of the camp they seem to have lots of teams; I didn't know what they were going to do with so many; I had 20 acres of corn where they have seven or eight acres, and the corn had to be cut down before they could put up the buildings; and they put on. I wouldn't be surprised, 25 or 30 teams to cut up that corn, and took two or three days, and I could have done it in and cut it up in three days with a binder myself. I think they were drawing \$3.45 a day, something like that.

Mr. McCULLOCH. You thought there was too many men on the job, did you?

Mr. BROWN. There certainly was; they didn't do anything. One acre a day isn't nothing for a man to cut up.

Mr. McKENZIE. Do you know whether or not these men were experienced corn cutters?

Mr. BROWN. I don't know.

Mr. McKENZIE. They might have been carpenters?

Mr. BROWN. I don't know that they were.

Mr. McKENZIE. But you do know you could have done it in a very short time?

Mr. BROWN. I would just like to have done it for half the money that it cost to do it; I could have done it for that and made big money.

Mr. McKENZIE. What did you see as to the number of men that were on other jobs?

Mr. BROWN. Well, they had a big warehouse down at our end—I don't know how long it is; it was a great big one, something like 60 feet wide—they had a snag of men working down there on that, carpenters. Some of the carpenters were farmers when the camp started, and they went down there and hired out as carpenters and carpenters' pay for it.

Mr. McKENZIE. You think there were too many men on those jobs?

Mr. BROWN. Yes, sir.

Mr. McKENZIE. About how many too many, in your judgment?

Mr. BROWN. I should judge there were 25 per cent too many, and maybe better, on some buildings. They had too many teams there, and they couldn't use them.

Mr. McKENZIE. How about the men working; did you observe whether they were idle or did a day's work?

Mr. BROWN. Well, I wouldn't consider it a day's work, not what I used to; I used to haul lumber. I would go up once in a while to look out; a fellow would want to quit for the day, and I would drive the team, and all I would do was to drive the team, and two men would work on the lumber, two men throw it up. That isn't good policy.

Mr. McKENZIE. You don't think that is a day's work?

Mr. BROWN. No, sir.

Mr. McKENZIE. Did you ever hear of the teamsters being told to get behind a lumber pile and take it easy?

Mr. BROWN. They did tell a teamster; he told me. He told me that they told him to get behind a lumber pile, to keep out of the way.

Mr. McKENZIE. Under what contractor was that?

Mr. BROWN. That was under Bates & Rogers.

Mr. McKENZIE. And when was it?

Mr. BROWN. That was along in September and October, along in the fall.

Mr. McKENZIE. Do you know under what foreman the man was working?

Mr. BROWN. No; I can't recall his name; I know the fellow; in fact, he wanted me to board him, and I told him I wouldn't do it.

Mr. McKENZIE. Who was the man that told him to get behind the lumber pile?

Mr. BROWN. They had the lumber down in the remount division. Whatever the foreman's name down there was I don't know; the old fellow—I had a driver, you know, that got killed down there—my driver went down on South Eighth Avenue; on the south side of the road there is a drop off there, and he was going down hauling one of this timber about 40 feet long, and he had a pretty good fall, and one of them slipped down and hit the old fellow and killed him off and he broke his neck.

Mr. McCULLOCH. Were you in the camp a number of times during the Bates & Rogers contract?

Mr. BROWN. Yes, sir; quite a few times.

Mr. McCULLOCH. And you would go to the camp frequently?

Mr. BROWN. Yes, sir; I used to drive a team up there every now and then; that was along in October; I drove a team quite a bit for a fellow that lived in Minneapolis, Minn.

Mr. McCULLOCH. But you were at the camp quite a bit?

Mr. BROWN. Yes, sir; the last of it I was there about 10 days.

Mr. McCULLOCH. That was under Bates & Rogers contract?

Mr. BROWN. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee just what you observed as to the number of men on the job and as to men being idle. Give us a general statement on that subject under the Bates & Rogers contract.

Mr. BROWN. Well, there seemed to be a lot of idle people around there, walking around, didn't seem to be doing anything. The plumbers were the worst I ever seen. Wherever we would drive to a building and throw off the plumbing supplies the plumbers would be standing outside and didn't seem to be doing anything. I don't know if they were supposed to be doing anything or not.

Mr. McCULLOCH. If this contract had been let on a lump sum basis what would you say as to whether that would have occurred or not?

Mr. BROWN. They would have worked or got out of there; they would have had to work.

Mr. McCULLOCH. And under the Bates & Rogers contract it didn't work?

Mr. BROWN. Well, they didn't have to work as hard; no.

Mr. McCULLOCH. Were you in a position to observe the conditions under the Beckstrom contract?

Mr. BROWN. Well, I didn't see much of Beckstrom; I had another job where I was working off in the country, and I didn't see much of that.

Mr. McCULLOCH. Were you on the job while the Ericsson contract was in progress?

Mr. BROWN. The only place I was on the job, I had four teams at the barn that were kept there, and I used to go up every now and then a while and drive a team while some of the fellows went home.

Mr. McCULLOCH. Will you tell us what you observed with reference to some of the men being idle under the Ericsson contract?

Mr. BROWN. This was just after the armistice was signed. It didn't seem to be doing very much; the worst thing that got me was, I saw four big horses on a little wagon hauling garbage. I asked the fellow what he was doing, and he said, "I don't know, drawing double pay." I think it was Anderson's team—the contractor—hauling garbage for the civilian workers there then.

Mr. McCULLOCH. Was that Ericsson's superintendent?

Mr. BROWN. No; Anderson Bros., the contractor, had a bunch of teams in there.

Mr. McCULLOCH. Was he from Rockford?

Mr. BROWN. He is right out here back of the packing plant now, working in Rockford now. I found he was in the sand hollow on the edge of the camp, where he had a shack and his horses.

McCULLOCH. I wish you would tell the committee, what, if any, you observed in regard to the waste of material under Bates & Rogers contract.

BROWN. I don't know whether they wasted much; I don't know I wasn't around where they were cleaning up around the stacks; I don't know about that.

McCULLOCH. You don't know anything about waste under Bates & Rogers contract if you was not at home.

BROWN. They said they burned up a lot of things on the stacks.

McCULLOCH. Did you see it?

BROWN. No, sir.

McCULLOCH. Then you don't know of it?

BROWN. No, sir.

McCULLOCH. Did you report to any of the Bates & Rogers officials the instance of the teamster being told to get behind the lumber pile?

BROWN. No, sir.

McCULLOCH. Didn't report it to anybody?

BROWN. No, sir. I think at that time I was hauling baled straw. I had something like 80 acres of oats and rye in, and that was the way where they wanted to lay a water main and I had a team there four days baling and I had that straw to haul away, with my teams working in there.

McCULLOCH. He was ordered by the foreman, was he?

BROWN. Yes; one of the yard men, I won't say the foreman. There was so many foremen and three or four straw bosses under them. They had the lumber down there and they hauled from the lumber pile as they built the quarters up.

McCULLOCH. Were you paid for your time that your man was on the job?

BROWN. Sure, and I paid him; he was there.

McCULLOCH. Have you employed men to work for you at the warehouse?

BROWN. Quite a few.

McCULLOCH. How many have you employed at any one time?

BROWN. I built a house in 1913 and had 18 thrashers one mason, 3 fellows on the furnace, and 3 carpenters that one

McCULLOCH. About 50 men?

BROWN. Thirty-five or forty; but they all worked, though.

McCULLOCH. How many men worked on the warehouse that

BROWN (interposing). Right below me?

McCULLOCH. The remount warehouse.

BROWN. I should judge a hundred, or better.

McCULLOCH. Do you know the size of that warehouse?

BROWN. It is 60 feet wide, the remount has got, I couldn't tell you the length of it, 300 feet long, I should think.

COOPER. That is correct.

BROWN. I worked down there, so I know something about it.

McCULLOCH. You say there were too many men on the job, is that right?

Mr. BROWN. I do, at that time. I had a brother-in-law there was never a carpenter, and I said: "This is a snap; go on there," and he did and got carpenter's pay.

Mr. McCULLOCH. Do you think that was a willful waste of peoples' money?

Mr. BROWN. I do.

Mr. McKENZIE. Now, on this team hauling garbage, do you whether that four-horse team was the property of the contractor or was it a man who had the concession there and had the right to haul garbage?

Mr. BROWN. I think he checked in there; it was Anderson's. He had four horses to haul the garbage, and two would have easily.

Mr. McKENZIE. Do you know whether he got a contract from the Government or not?

Mr. BROWN. No; but he hauled from the civilian place, and they fed them on the north end there.

Mr. McKENZIE. You don't know whether he was an employee of Ericsson?

Mr. BROWN. No, sir; I do not.

Mr. McKENZIE. Did you have your team condemned at any time by any of the Army officers down there?

Mr. BROWN. No, sir; I did not. I will tell you how that I had a fellow down there with four horses.

Mr. McKENZIE. Who was that man?

Mr. BROWN. Liggett.

Mr. McKENZIE. The same gentleman that testified this afternoon?

Mr. BROWN. Yes, sir. And they told me they canned him, and I told him to get into the car and we would drive over and see; so he got into the car and drove over and saw Maj. Charles, and I told him, I said: "I put these teams on here in my own name, if they want them, and they don't I will telegraph to Washington and find out the reason why they can't work." So he said to let them come on back to work so they went back in Liggett's name, and they didn't say anything about my horses. They seemed to be all right.

Mr. McKENZIE. Did they condemn Liggett's horses?

Mr. BROWN. No, sir; the veterinary came over from the remount and said they were all O. K.

Mr. McKENZIE. Were they reexamined by the veterinary surgeon at the remount?

Mr. BROWN. No; he came over and gave them the mallein test.

Mr. McKENZIE. You testified that this man accepted pay for the time that he was behind the barns.

Mr. BROWN. I was the one; the team was in my name; I was paid him so much.

Mr. McKENZIE. You received pay for it?

Mr. BROWN. Yes; I received pay; I paid him so much and he paid me for driving the team.

Mr. McKENZIE. Of course, you kept that money?

Mr. BROWN. Of course; all the rest kept it, why shouldn't I?

Mr. McKENZIE. You probably put that and some more into Liggett's bonds.

Mr. BROWN. I have got a lot in there.

McKENZIE. You are a taxpayer?

BROWN. Yes, sir. I paid \$147 income tax last year; I guess paying some.

McKENZIE. And you are satisfied that useless money was being led?

BROWN. Yes, sir.

McKENZIE. I want to recall Mr. Liggett for a moment.

#### TESTIMONY OF THOMAS F. LIGGETT—Recalled.

McKENZIE. You have been sworn and testified this afternoon.

LIGGETT. Yes, sir.

McKENZIE. I wish you would tell the committee what about team business down there that Mr. Brown has just testified just what happened there.

LIGGETT. Mr. Hartman, of the Ericsson Construction Co., called telephone—I was working in Freeport—he made a Government they would call me, and said that they needed teams down and Maj. Charles refused to let any man have a barn on the station and that would be the only reason it would be hard to get, but I could get a place off the reservation. So I went and a Mr. Brown's barn and house and told Mr. Ericsson what I one and he said "Fine," and I went down and worked 10 or s down here, and Mr. Larson came along and notified me I had to I commenced to look around a little bit to make a bluff to I didn't intend to move—but I made a bluff—

McKENZIE (interposing). Who is this man Larson?

LIGGETT. A superintendent of Ericsson's.

McKENZIE. And these buildings were located on the reservation where they?

LIGGETT. They were located just off the reservation on private ty.

McKENZIE. Are they the buildings now occupied by Mr. Brown served?

LIGGETT. Yes, sir; occupied and reserved by Mr. Brown at that

McKENZIE. Go ahead and tell your story.

LIGGETT. So Mr. Ericsson came down; I was boarding at the nce Co., and he just came down and said, "I thought you ?" I said, "No; I haven't," and I said, "furthermore, I ntend to move." He said, "All right; we will fire you." I All right; fire me." So we went along five days, and Mr. his Swede foreman, fired me. I wanted to know the reason. "I am on private ground and paying taxes, or Brown is," but In't get any redress. So Brown and I made out to see Maj. s. Ericsson didn't want us to go; he is scared of his life of s. The major said, "Orders is orders in the Army," and I dered to move, and didn't move, so I got fired. I can't remem- g Landis in in connection with the camp and he yielded.

McKENZIE. Who do you mean by Landis?

LIGGETT. Judge Landis. Excuse me if I didn't say Judge , your honor; I am sorry; but I went out and went down to see cer then in charge of the remount station, Capt. Granger, and



he laughed at the idea that he would have any right to fire living there, and he telephoned to Maj. Charles, and he re me and I worked along after that.

Mr. McKENZIE. Who was Maj. Charles?

Mr. LIGGETT. At that time construction quartermaster.

Mr. McKENZIE. And you say Ericsson was afraid of him?

Mr. LIGGETT. I absolutely know he was afraid of him; the son gave them thunder for going near Maj. Charles; he didn't them to.

Mr. McKENZIE. Then if that is true, if Maj. Charles had orders to have these men move along on the camp, do you think would have moved?

Mr. LIGGETT. I absolutely know they would have moved.

Mr. McKENZIE. Do you know whether or not the officers remount station objected to having strange horses at or n places where the Government horses are kept?

Mr. LIGGETT. Well, no; they never objected, because it v have made any difference at that time; there were 200 or more on the camp, and they were being watered on the camp and the remount station.

Mr. McKENZIE. Did you have your horses examined at mount station?

Mr. LIGGETT. Maj. Kalb sent Capt. Gould over there and th malleined and pronounced O. K.

#### TESTIMONY OF O. I. PRENTICE, NEW MILFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your name?

Mr. PRENTICE. O. I. Prentice.

Mr. McCULLOCH. Where do you live?

Mr. PRENTICE. New Milford.

Mr. McCULLOCH. You worked as a carpenter at Camp Gr you not?

Mr. PRENTICE. Yes, sir.

Mr. McCULLOCH. When did you begin working there?

Mr. PRENTICE. The 5th of July, 1917.

Mr. McCULLOCH. Who did you work under when you bega ing there?

Mr. PRENTICE. Bates & Rogers.

Mr. McCULLOCH. Who was your foreman?

Mr. PRENTICE. I forget who the first foreman was; I only for him about a week and then I went to work with Oscar Mal

Mr. McCULLOCH. What do you say as to whether or not th too many men working on the various jobs?

Mr. PRENTICE. Yes; I think there were too many men.

Mr. McCULLOCH. Can you give the committee any idea many too many?

Mr. PRENTICE. One-third, or possibly a half, maybe.

Mr. McCULLOCH. That was on the carpenter gangs?

Mr. PRENTICE. Yes, sir; on the carpenter gangs.

Mr. McCULLOCH. Can you tell the committee what kind were employed there as carpenters, as to their qualifications?

Mr. PRENTICE. Oh, there was lots of them that were not qualified their work.

Mr. McCULLOCH. What percentage did you say were not qualified?

Mr. PRENTICE. In some gangs half, probably.

Mr. McCULLOCH. How about your own gang; what do you say about your own gang?

Mr. PRENTICE. I dare say two-thirds of the gang——

Mr. McCULLOCH (interposing). Were not competent?

Mr. PRENTICE. Were competent.

Mr. McCULLOCH. And one-third were not competent?

Mr. PRENTICE. Yes, sir.

Mr. McCULLOCH. What was the effect of having too many men on job and incompetent men?

Mr. PRENTICE. They were in each other's way a good deal.

Mr. McCULLOCH. Did it interfere with the work?

Mr. PRENTICE. Yes, sir.

Mr. McCULLOCH. Delay it?

Mr. PRENTICE. Yes, sir.

Mr. McCULLOCH. How about the effect of having too many men on roofs; did you observe that?

Mr. PRENTICE. Yes; there wasn't room for them to work.

Mr. McCULLOCH. Wasn't room to do the work?

Mr. PRENTICE. No, sir.

Mr. McCULLOCH. Did that happen often?

Mr. PRENTICE. No; not very often; once in a while they would take on off one building, be short of material on one building, and put on on another building, you know, and that would make too many

Mr. McCULLOCH. What about the classification of the carpenters; are they properly classified or not?

Mr. PRENTICE. Oh, no.

Mr. McCULLOCH. I wish you would tell the committee, as a practical carpenter, what your observation was in that particular.

Mr. PRENTICE. Oh, no; not more than half of them.

Mr. McCULLOCH. Was this work conducted under Bates & Rogers? It would have been conducted, in your judgment, if it had been a lump-sum contract, where the contractor would lose if the men did not do a day's work?

Mr. PRENTICE. No; I don't think it was conducted right. Of course, it was a hurry-up job.

Mr. McCULLOCH. You have answered that now; you say you don't think it was conducted right?

Mr. PRENTICE. No.

Mr. McCULLOCH. Tell us in what way you don't think it was conducted right.

Mr. PRENTICE. Well, there was too many men in the first place; too many men.

Mr. McCULLOCH. Incompetent men?

Mr. PRENTICE. Yes; both competent and incompetent.

Mr. McCULLOCH. You don't think that would have occurred if it had been a lump-sum contract, do you?

Mr. PRENTICE. No; of course, they had a big job, of course; took a lot of men, of course.



Mr. McCULLOCH. What did you observe under Bates & Rogers to materials being wasted, if anything?

Mr. PRENTICE. Well, there was lots of it thrown aside—I know what became of it—lots of it thrown aside. I didn't burn it. I don't know anything about that.

Mr. McCULLOCH. The waste that you observed was in the handling of the material, was it?

Mr. PRENTICE. Yes; a piece taken off a board and just thrown down and left.

Mr. McCULLOCH. What was the effect on the handling of the material of having these incompetent men on the job?

Mr. PRENTICE. Well, of course, they would use a whole board and a piece would have done just as well.

Mr. McCULLOCH. Which resulted in waste?

Mr. PRENTICE. Yes; I think so.

Mr. McCULLOCH. What do you say as to the number of men, in your judgment, in the light of your experience as a carpenter, could have done this work as compared with the number that were on the job?

Mr. PRENTICE. Oh, probably two-thirds.

Mr. McCULLOCH. Two-thirds of them could have done just as well.

Mr. PRENTICE. I think so.

Mr. McCULLOCH. Do you know of men using lumber and Government time to make articles for their own personal use; stepladders, for instance?

Mr. PRENTICE. No; I didn't see that.

Mr. McCULLOCH. Are there any other facts that you can bring to the attention of the committee that might throw some light on that work was conducted out there?

Mr. PRENTICE. Well, I don't know.

Mr. McCULLOCH. I think that is all.

Mr. McKENZIE. Did you observe whether or not there was any difficulty in getting some of these so-called carpenters to get up on the roof of a building?

Mr. PRENTICE. No, sir.

Mr. McKENZIE. They were all able to get up on a roof?

Mr. PRENTICE. Yes, sir.

Mr. McKENZIE. They were not very high?

Mr. PRENTICE. No.

Mr. McKENZIE. And they could get them up there?

Mr. PRENTICE. Yes, sir.

Mr. McKENZIE. Are you a nonunion carpenter?

Mr. PRENTICE. No, sir.

Mr. McKENZIE. You are a union carpenter?

Mr. PRENTICE. Yes, sir; was at that time. I am not now. I am not working at the trade now.

Mr. McKENZIE. How long did you work for the Bates & Rogers?

Mr. PRENTICE. I commenced the 5th day of July, and I would say certain, and about the 1st of November I quit.

Mr. McKENZIE. That is about all the time you were there?

Mr. PRENTICE. Pretty near; yes, sir.

Mr. McKENZIE. I think that is all.

**TESTIMONY OF GEORGE S. STINE, FREEPORT, ILL.**

e witness was duly sworn by Mr. McKenzie.)

**McCULLOCH.** Your name is George S. Stine?

**STINE.** Yes, sir.

**McCULLOCH.** Where do you live, Mr. Stine?

**STINE.** Freeport.

**McCULLOCH.** Did you work on Camp Grant?

**STINE.** Yes, sir.

**McCULLOCH.** Under what contractor?

**STINE.** Bates & Rogers, and Ericsson also.

**McCULLOCH.** When did you work for Bates & Rogers?

**STINE.** About three years ago this fall.

**McCULLOCH.** 1917?

**STINE.** Yes, sir.

**McCULLOCH.** How long did you work for them?

**STINE.** Oh, I should think about five weeks.

**McCULLOCH.** How long did you work for Ericsson?

**STINE.** About four weeks, I should judge; I didn't keep no

**McCULLOCH.** What year was that?

**STINE.** That would be 1917, wouldn't it? This is—1918.

**McCULLOCH.** 1918?

**STINE.** Yes, sir.

**McCULLOCH.** What do you say as to the men that were on the  
s jobs under Bates & Rogers?

**STINE.** Too many.

**McCULLOCH.** How many too many?

**STINE.** Of course, I couldn't estimate exactly, but there was  
any on lots I saw; too many carpenters, and too many teams  
nothing, working two or three hours a day I should judge;  
as the regular time they put in.

**McCULLOCH.** You worked as a teamster?

**STINE.** Yes; owned my own team.

**McCULLOCH.** Did you get around the camp pretty generally?

**STINE.** Oh, yes; pretty generally in various places.

**McCULLOCH.** What was your observation as to the men all  
he camp, as to being too many or too few?

**STINE.** Too many.

**McCULLOCH.** When you say too many what do you mean;  
any to do good work?

**STINE.** To do good work, where half of them could have done  
ork.

**McCULLOCH.** How much work did your team do under Bates  
gers?

**STINE.** Some days three hours was the most.

**McCULLOCH.** Did other teams do more or less?

**STINE.** I didn't watch them all; about the same, I should  
Some didn't do that much.

**McCULLOCH.** How many hours a day did you get paid for?

**STINE.** For 10 hours.

**McCULLOCH.** How much an hour?

Mr. STINE. About 87 cents, I think. We got \$10.80 for 10

Mr. McCULLOCH. While your team was on the job?

Mr. STINE. On the job; yes, sir.

Mr. McCULLOCH. Why was it you didn't work more hours?

Mr. STINE. I was put on a job and couldn't work much more than on the job they put me on, understand; I done all they of me.

Mr. McCULLOCH. Why couldn't you do more than 3 hours' out of 10?

Mr. STINE. I was excavating a little while, 5 or 10 minutes then hitched on a wagon with the tools on; the men didn't use tools very often.

Mr. McCULLOCH. What do you mean by that?

Mr. STINE. There was a number of them that would maybe up a shovel and shovel a few minutes and then be gone, and expected to haul them in the camp, to the camp and then out a that was under Bates & Rogers.

Mr. McCULLOCH. You say that was under Bates & Rogers?

Mr. STINE. Yes, sir.

Mr. McCULLOCH. Your teams were not required to work but the laborers were not loading your wagon, I understand.

Mr. STINE. No; I was hauling tools with these laborers, you hauling them out, and all the work I was asked to do. But as the team did not work over three hours some days.

Mr. McCULLOCH. How about other teams?

Mr. STINE. They were on the job about the same, as far as could see.

Mr. McCULLOCH. If this work had been done on a paid contract—

Mr. STINE (interposing). They would have all worked. I

Mr. McCULLOCH. How many hours a day would they have worked then, in your judgment?

Mr. STINE. Ten full hours, I should judge. I always have ever I worked.

Mr. McCULLOCH. How do you account now for these teams idle six or seven hours and only working three; give us your opinion about it; what was the reason for it?

Mr. STINE. Well, I can't just say. I suppose somebody was taking a rake-off to hold the teams there, is all I can judge.

Mr. McCULLOCH. Was the impression that prevailed at there?

Mr. STINE. I don't see any other way. Of course, they had to take the teams to do this work I was on; that was certain, to haul the men and the tools, not so much for the men as for the tools. I worked them pretty good, the job I was on, loaded them up but just certain teams, understand.

Mr. McCULLOCH. Your team was on the job, however, ready to do the work, is that it?

Mr. STINE. Yes, sir.

Mr. McCULLOCH. Do you remember an instance where there were 50 men working on a small building?

Mr. STINE. I made an estimation there was that many on.

Mr. McCULLOCH. Will you tell us about that, what the effect of that was, having so many men on the building?

- Mr. STINE. In order to get the building up, I think; but they were taking too many men.
- Mr. McCULLOCH. If that was the object, did it accomplish the object?
- Mr. STINE. No, sir; I don't think so.
- Mr. McCULLOCH. Did it delay the work or facilitate it?
- Mr. STINE. The men were in each other's way, as near as I could see it.
- Mr. McCULLOCH. What do you say about the waste of lumber under the Bates & Rogers contract?
- Mr. STINE. Well, I helped to haul it where they burned it up now; I would say carload after carload; my judgment is 15 or 20 acres of land and there was good lumber in it; I couldn't say it was all good lumber, but there was good lumber that was destroyed.
- Mr. McCULLOCH. Not sorted?
- Mr. STINE. Not sorted at all; everything thrown in and thrown these piles as high as we could pile it and burned up.
- Mr. McCULLOCH. Were you cleaning up after the barracks had been completed?
- Mr. STINE. After the barracks; yes, sir.
- Mr. McCULLOCH. How many teams were there—about—working, hauling this material to the scrap pile?
- Mr. STINE. Oh, I have worked when there were six or eight teams, with big racks, hauling it.
- Mr. McCULLOCH. And you would gather up the materials that were thrown out of the barracks after they were completed?
- Mr. STINE. Yes; that is what I would do.
- Mr. McCULLOCH. And you say that waste material was not sorted?
- Mr. STINE. Not sorted at all; it was supposed to be sorted, but wasn't; they gathered up everything as they went to clean it up and took it away from there.
- Mr. McKENZIE. You say it was supposed to be sorted?
- Mr. STINE. That is the way it looked to me, understand; of course, it wasn't.
- Mr. McKENZIE. How much time did you put in hauling that waste?
- Mr. STINE. Oh, I couldn't tell; they put me at different jobs; probably two days was my limit hauling that stuff. I don't think I hauled over two days, but they were hauling all fall; doing that work with teams, you know.
- Mr. McKENZIE. You have been a teamster for a number of years?
- Mr. STINE. Yes, sir.
- Mr. McKENZIE. You are not a carpenter?
- Mr. STINE. No, sir; well, I could do about as well as some of them; I did not make myself a carpenter.
- Mr. McKENZIE. Of course, your judgment of the number of men for a building would be an estimate?
- Mr. STINE. Just an estimate; I looked at them as I drove along.
- Mr. McKENZIE. Would you care to state to the committee, from your judgment—to give us your judgment from your experience as a teamster, about what percentage more of teams they had out there than you would think would be necessary?

Mr. STINE. Well, I couldn't hardly say that, you know. Of course there was too many on the jobs. There was too many to have men work, you see.

Mr. McKENZIE. Well, now, in the character of the work that were doing and the character of the teamsters—

Mr. STINE (interposing). When you drive up to a pile of lumber and only have four or five men to load them there was too many teams; the teams behind were losing a lot of time there, the way they looked at it.

Mr. McKENZIE. Was the teamster supposed to do anything?

Mr. STINE. No, sir; only to look after the team.

Mr. McKENZIE. Did they have any regulations about that?

Mr. STINE. No, sir; because some of them would go to sleep, they came around and told them they would have to quit that; that was the last—not three years ago.

Mr. McKENZIE. What do you have in mind?

Mr. STINE. Bates & Rogers; two years ago this fall.

Mr. McKENZIE. Did you ever build a building like the building you saw at Camp Grant?

Mr. STINE. Did I ever?

Mr. McKENZIE. Yes.

Mr. STINE. Well, no; I don't know that I ever did; any like that had in Camp Grant.

Mr. McKENZIE. That is all; we are much obliged to you.

#### TESTIMONY OF WILLIAM SAYLOR, FREEPORT, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your name?

Mr. SAYLOR. William Saylor.

Mr. McCULLOCH. Where do you live?

Mr. SAYLOR. Freeport.

Mr. McCULLOCH. Did you work on Camp Grant?

Mr. SAYLOR. Yes, sir.

Mr. McCULLOCH. What did you do there?

Mr. SAYLOR. Steam fitting.

Mr. McCULLOCH. For whom; under Bates & Rogers?

Mr. SAYLOR. Yes, sir; Bates & Rogers, and also Ericsson.

Mr. McCULLOCH. You also worked for a subcontractor, didn't you?

Mr. SAYLOR. Yes; for Kehm Brothers, under a subcontract.

Mr. McCULLOCH. You were in and about the camp a good deal?

Mr. SAYLOR. Well, I wasn't—that is, I wasn't over the camp amount to anything only where my work was.

Mr. McCULLOCH. When did you begin to work at the camp under Bates & Rogers?

Mr. SAYLOR. The 4th of September, two years ago.

Mr. McCULLOCH. What did you observe or see as to the number of men that were on the various jobs; were there too many or too few?

Mr. SAYLOR. Well, on some there seemed to be too many and on some there did not seem to be enough at times.

Mr. McCULLOCH. That balanced up pretty well, didn't it?

Mr. SAYLOR. Well, owing to what it was.



CULLOCH. What was the effect of having too many men  
and too few on others?

LOR. Well, where they had too many on some jobs they  
work to advantage; they were in each other's way. And  
didn't have enough on some jobs, they didn't get the  
so others could get in and work.

CULLOCH. How do you account for that situation, of too  
being on some jobs and too few on others?

LOR. Well, some of them claim to be one kind of a me-  
some was not any; were laborers, some of them.

CULLOCH. Wasn't the labor classified?

LOR. Well, I suppose it was as labor, but in places where  
d labor sometimes they couldn't get it; that is, in our  
e we would need them, anyway.

CULLOCH. If this work had been done on a lump-sum con-  
do you say as to the conditions you have referred to  
e existed?

LOR. I don't think it would.

CULLOCH. Will you tell the committee why?

LOR. Well, because in some cases there was too many men  
couldn't work because they were in one another's way, and  
n't accomplish as much as fewer men would have accom-

CULLOCH. Under a lump-sum contract, or private con-  
ou think that would have occurred or would have hap-

LOR. No; I don't think it would.

CULLOCH. Go ahead.

LOR. As far as the laborers was concerned I don't know  
couldn't get them at the time they wanted them; what  
them for was to dig ditches, see, and they couldn't get  
ome cause or other, whether they wasn't in the camp at  
or whether they didn't want to do that work, or what.

CULLOCH. What did you observe as to the waste of ma-

LOR. As far as the waste is concerned, the actual waste  
m-fitting line, there is more or less stuff will accumulate  
at what materials was picked up and as far as I know  
ed back to the warehouse; of course, I don't know where  
er it was picked up and put on the wagon. It was sup-  
back there and be checked up again; checked back.

CULLOCH. There was nothing wrong with that, was there?

LOR. No; I couldn't see anything wrong with that.

CULLOCH. Do you know of any waste of any kind of ma-

LOR. Well, no; I couldn't say that I do, because I was  
osition to see where the material went to after it was  
or what went with it.

CULLOCH. So you don't know whether it was wasted or

LOR. No; I don't know whether it was wasted or not.

CULLOCH. I think that is all.

Mr. McKENZIE. I want to ask this gentleman one question. are a steam fitter?

Mr. SAYLOR. Yes, sir.

Mr. McKENZIE. Do you class steam fitters and plumbers in same classification?

Mr. SAYLOR. Well, not exactly, no.

Mr. McKENZIE. Do they belong to the same organization?

Mr. SAYLOR. Yes; that is, they belong to the same organization so far as that is concerned, but they are separated in a way by locals.

Mr. McKENZIE. How did the steam fitters work; we have heard a good deal about the carpenters and plumbers?

Mr. SAYLOR. Well, practically, so far as that it concerned labor out there all worked a good deal the same; some of them worked and some didn't work.

Mr. McKENZIE. The steam fitters and plumbers are practically experienced men, aren't they?

Mr. SAYLOR. Yes, sir.

Mr. McKENZIE. And even some of those men loafed on the job, didn't they?

Mr. SAYLOR. Some of them loafed on the job.

Mr. McKENZIE. It has been stated here by some of the witnesses that the plumbers and steam fitters worked a scheme at the cantina that they would work Sunday and Saturday afternoon and receive double pay thereby and would then lay off Monday or Tuesday or Wednesday, whatever day would suit them; what do you know about that?

Mr. SAYLOR. That is something I don't know anything about; wasn't on to that.

Mr. McKENZIE. That had to do with the Chicago plumber?

Mr. SAYLOR. They wanted us to work every day.

Mr. McKENZIE. And you did work every day?

Mr. SAYLOR. I did work every day, unless it was once in a while a day I was sick or something that I laid off, but not very often at that.

Mr. McKENZIE. That is, you worked in the way they worked at the cantina?

Mr. SAYLOR. Well, I aimed to work right along; I would work and keep going than watch for a spotter.

Mr. McKENZIE. For the bell to ring?

Mr. SAYLOR. Yes, sir.

Mr. McKENZIE. Well, did you have any rule out there at the cantina that you could only do a certain amount of plumbing a day; so many joints; have you in force a union rule—

Mr. SAYLOR (interposing). Well, so far as the plumbing, that was separate. I had nothing to do with the plumbing; I was a fitter, I had nothing to do with the plumbing; I don't know how many joints they wiped or anything of the kind; that is separate from the plumbing job.

Mr. McKENZIE. You don't know whether that rule was observed there or not?

Mr. SAYLOR. No; I don't. You see, it differed, mine and his were not together, and I don't know anything about it.

ZIE. Did the steam fitters have any regulations of that

Well, on the start when Bates & Rogers had it there, as first piping those buildings, those barracks, there to pipe one of those; that is, get the main up and get s for the radiators. There was a set time for that.

ZIE. You will understand, of course, in asking these I assume that all of the union trades have a certain day's work.

Yes, sir.

ZIE. But on this kind of a job, of course, we were lead t everybody should do everything they could; that ould work overtime; the boys and girls should work; ould work and hurry along in order to help win this as wondering whether or not at these camps and can- men employed there and the contractor employed abso- tly forgot all about that and worked along just the ere were not in a war. Now, what was the situation out re any more work done, any more pushing done, than ave been in peace times?

. No; I don't think there was, so far as that is con- ourse, there was probably times they wanted a certain omething like that there was a little rush and a little to take it all the way through there was no—

ZIE (interposing). Did the men ever discuss it and e ought to push this thing along, because we want to or the boys that are coming in, and we have got to get ly"; did you ever hear them discuss it?

. No; I never heard them discuss anything of that

ZIE. If I understand you correctly, you said you had ed time in which you were supposed to set up a furnace whatever the task might be; who made that regulation?

. Well, couldn't tell you who made the regulation; it n between the foreman on the job and the superintend-

ZIE. Of the contractor?

. Yes, sir.

ZIE. I think that is all.

**EXAMINATION OF MR. A. H. KINSON, NEW MILFORD, ILL.**

(The witness was duly sworn by Mr. McKenzie.)

LOCH. What is your name?

. A. H. Kinson.

LOCH. Where do you live, Mr. Kinson?

. New Milford.

LOCH. Did you work at Camp Grant?

. Yes, sir.

LOCH. Under what contractor?

. Under Bates & Rogers.

LOCH. When did you begin working there?

. The 6th day of July.



Mr. McCULLOCH. 1917?

Mr. KINSON. Yes, sir.

Mr. McCULLOCH. How long did you work?

Mr. KINSON. I worked until the 31st day of August, except a little while that I helped my boy to harvest; I forget just how long, probably 10 days.

Mr. McCULLOCH. August of what year?

Mr. KINSON. The same year.

Mr. McCULLOCH. What did you work at?

Mr. KINSON. Hauling lumber all the time I was there.

Mr. McCULLOCH. Did you have your own team on the job?

Mr. KINSON. Yes, sir.

Mr. McCULLOCH. What do you say as to the number of teams there were on that job; were there too many or too few?

Mr. KINSON. Why, it seemed to me a good many too many; too many to keep them to work.

Mr. McCULLOCH. Well, how many teams were there on the job?

Mr. KINSON. Oh, I couldn't tell you.

Mr. McCULLOCH. Have you any idea?

Mr. KINSON. Well, I should think there were at least 300 or more teams, an awful snag of them.

Mr. McCULLOCH. How many, in your judgment, could have handled all the hauling that there was to do on that job?

Mr. KINSON. Oh, half of them could have done it easy enough.

Mr. McCULLOCH. Have you handled teams for very long?

Mr. KINSON. Always did.

Mr. McCULLOCH. That has been your business largely?

Mr. KINSON. Always worked on a farm and always handled teams.

Mr. McCULLOCH. And you estimate that one-half of the teams there were on that job could have done what all of them did?

Mr. KINSON. Yes; easy.

Mr. McCULLOCH. How much did you get a day for yourself and your team?

Mr. KINSON. I got \$6.50 at first; they all did that.

Mr. McCULLOCH. Then what did you get?

Mr. KINSON. Then we got \$8.80 for the first 15 or 16 days; I think Lorden was, I think, the man that handled the teams, and he got us for \$6.50 a day.

Mr. McCULLOCH. What did he get from the Government?

Mr. KINSON. I don't know; I expect the regular price.

Mr. McCULLOCH. \$8.80?

Mr. KINSON. I understood so afterwards; I wouldn't say as to that.

Mr. McCULLOCH. What did you notice as to the loading and unloading of your wagons with lumber; how was it done; was it fast or slow; what can you tell us about that?

Mr. KINSON. Pretty slow, I should call it.

Mr. McCULLOCH. I wish you would give the committee, in your own words, what that situation was.

Mr. KINSON. I had two men with me all the time—good men, and they would take up one board at a time and unload it the same way; one stood at the front end and one at the back end, and take hold and unload it.

Mr. McCULLOCH. How heavy was the board?

Mr. KINSON. A 2 by 4 or a 1 by 6, 14 feet long; different lengths. It didn't make any difference how big it was.

Mr. McCULLOCH. They confined themselves to one board?

Mr. KINSON. It depended a little on whether it was noon or quitting time whether they took two or not.

Mr. McCULLOCH. How long did it take to load you?

Mr. KINSON. All the way from a half hour to two hours.

Mr. McCULLOCH. How long would it have taken you if you had been doing it yourself?

Mr. KINSON. In 15 minutes, about, we could have.

Mr. McCULLOCH. How long would it take them?

Mr. KINSON. All the way from a half to an hour or more.

Mr. McCULLOCH. Your estimate of double the number of teams on that job, 300 teams on the pay roll, at \$8.80 a day, 50 that were idle or unnecessary, that would amount to \$1,320 a day.

Mr. KINSON. Yes, sir.

Mr. McCULLOCH. That was paid out of the Treasury of the United States that, in your judgment, was entirely unnecessary; is that right?

Mr. KINSON. Yes, sir; it was.

Mr. McCULLOCH. Are you a taxpayer?

Mr. KINSON. I am.

Mr. McCULLOCH. You are probably helping to pay for that now.

Mr. KINSON. You bet I am.

Mr. McCULLOCH. That is all.

Mr. McKENZIE. How did you come to quit in August?

Mr. KINSON. Well, sir, I quit because I got tired of the job, is all; just got sick of being around and doing nothing.

Mr. McKENZIE. You were not discharged?

Mr. KINSON. No, sir.

Mr. McKENZIE. You quit of your own accord?

Mr. KINSON. Yes, sir.

Mr. McKENZIE. How many teams have you had under your charge at one time?

Mr. KINSON. On the farm, you mean?

Mr. McKENZIE. No; I understood you to say you are a teamster.

Mr. KINSON. No; a farmer. I was on a farm.

Mr. McKENZIE. Have you handled more than one team under your supervision?

Mr. KINSON. Yes; I have had five or six teams working lots of times.

Mr. McKENZIE. I think that is all.

Mr. McCULLOCH. Do you know of an instance where there were 14 or 15 teams on this Bates & Rogers job that stood idle for a number of days?

Mr. KINSON. Well, I know of one instance where they stood idle one day.

Mr. McCULLOCH. How many were there?

Mr. KINSON. I couldn't say positively, but 10 to a dozen.

Mr. McCULLOCH. All day?

Mr. KINSON. Yes, sir.

Mr. McCULLOCH. What was the occasion for that?

Mr. KINSON. They didn't have work for them, I suppose.

Mr. McCULLOCH. You saw them standing idle?

Mr. KINSON. Yes, sir; the reason I remember the day so well is that a neighbor hired out—he hired out like to-day and he said to be to-morrow morning because they want them, and he didn't do all day. He checked in, and had dinner and checked out at but he didn't do a tap all day. I counted the teams, but I remember it.

Mr. McCULLOCH. What day was it?

Mr. KINSON. I do not remember that either.

Mr. McCULLOCH. Was it Sunday?

Mr. KINSON. No, sir.

Mr. McKENZIE. What was the weather that day?

Mr. KINSON. It was a nice day.

Mr. McKENZIE. About what month was it?

Mr. KINSON. July.

Mr. McKENZIE. Nineteen hundred and seventeen?

Mr. KINSON. Yes, sir; probably maybe about the middle of or the 17th, I had been there a week, something like that.

Mr. McKENZIE. That is all.

The committee will now adjourn until 9.30 o'clock to-morrow morning.

(And thereupon, at 7 o'clock p. m., the committee adjourned Wednesday, November 12, 1919, at 9.30 o'clock a. m.)

SUBCOMMITTEE No. 2 (CAMPS) OF THE SELECT COMMITTEE ON  
EXPENDITURES IN THE WAR DEPARTMENT.

HOUSE OF REPRESENTATIVES,  
*Rockford, Ill., Wednesday, November 12, 1919.*

The committee met at the courthouse at Rockford, Ill., at 9.30 o'clock a. m., pursuant to adjournment taken on yesterday, Hon. John C. McKenzie (chairman) presiding. Also present: Hon. Roscoe C. McCulloch.

**TESTIMONY OF MR. CHARLES D. KEWISH, NEW MILFORD, ILL.**

(The witness was duly sworn by Mr' McKenzie.)

Mr. McCULLOCH. What is your name?

Mr. KEWISH. Charles D. Kewish.

Mr. McCULLOCH. Where do you live, Mr. Kewish?

Mr. KEWISH. I live in the village of New Milford, Rockford Township, Ill.

Mr. McCULLOCH. Where are you employed now?

Mr. KEWISH. At the Salvage Barracks, Camp Grant.

Mr. McCULLOCH. Were you employed at Camp Grant under the Bates & Rogers contract?

Mr. KEWISH. Yes, sir.

Mr. McCULLOCH. When did you go to work there?

Mr. KEWISH. I think the 3d of July.

Mr. McCULLOCH. 1917?

Mr. KEWISH. 1917.

Mr. McCULLOCH. How long did you remain at work there?

Mr. KEWISH. I remained until, I believe, the 17th or 19th of November.

Mr. McCULLOCH. 1917?

Mr. KEWISH. 1917.

Mr. McCULLOCH. Did you observe men working on the barracks building at Eleventh Street?

Mr. KEWISH. We worked there—put up two buildings there on Eleventh Street.

Mr. McCULLOCH. You say you were working where?

Mr. KEWISH. On Eleventh Street.

Mr. McCULLOCH. On Eleventh Street; I wish you would tell the committee of an instance where you observed, or tell us about observing, say across the street, or somewhere, a large number of men working on a building for a considerable time. Can you tell us about that?

Mr. KEWISH. Right the next building west of us—I wouldn't know what the street is that runs east and west, but across Eleventh from us they told us there was 55 men and it looked as if there were fully that many or more.

Mr. McCULLOCH. Now, how long did they work there?

Mr. KEWISH. Well, I couldn't say how long they worked. When we got through they had the frame up. And we started the bare foundation and put down our sills and raised the walls and was putting down our joists when they had the rafters up. When we finished that building and went and built some tables, I think that was, in another barracks right close there, and went on to another building before they had that one finished, so that I wouldn't know how long they were there.

Mr. McCULLOCH. How long do you estimate it was that they were there?

Mr. KEWISH. Well, I had no idea; I didn't pay any particular attention at the time, but I think they must have been there close to a month.

Mr. McCULLOCH. About 30 days, is that it?

Mr. KEWISH. Yes, sir.

Mr. McCULLOCH. Did they work Sundays, too?

Mr. KEWISH. I heard they worked Sundays, but our gang had only a chance to work two Sundays all summer, the gang I was talking about. I mean.

Mr. McCULLOCH. You say this particular gang across from here worked on Sunday?

Mr. KEWISH. I would not say every Sunday, but I heard that they worked Sundays.

Mr. McCULLOCH. What did you hear and who told you if you heard anything about why they were permitted to work on Sundays?

Mr. KEWISH. Well, it was the main talk of the several gangs that worked around in our vicinity there that the several gangs were paying their foremen \$2 apiece to let them work on Sundays and that was finding work for them—until he got canned.

Mr. McCULLOCH. You say that was the common talk?

Mr. KEWISH. Yes; throughout the different gangs in the vicinity I was working in.

Mr. McCULLOCH. Who was the foreman?

Mr. KEWISH. I couldn't tell you; I never got acquainted with him.

Mr. McCULLOCH. About when was this work being done; can you give us about the month?

Mr. KEWISH. I think it was about the latter part of July and the first of August.

Mr. McCULLOCH. 1917?

Mr. KEWISH. 1917.

Mr. McCULLOCH. And your foreman's name was what?

Mr. KEWISH. Bert Cole.

Mr. McCULLOCH. Bert Cole?

Mr. KEWISH. Yes, sir.

Mr. McCULLOCH. And you were working as a carpenter under him, is that right?

Mr. KEWISH. Yes, sir.

Mr. McCULLOCH. Can you tell us who made this statement that these men were paying the foreman \$2 a Sunday for working on Sunday?

Mr. KEWISH. No; I couldn't tell you who made it. It was the common talk around there all the time.

Mr. McCULLOCH. Were all the men talking about it?

Mr. KEWISH. Yes, sir; and they were wondering why it was that we did not have a chance to work on Sunday.

Mr. McCULLOCH. Who else was in your gang; can you give us the names of any other men in your gang at that time?

Mr. KEWISH. Charley Allison here in Rockford.

Mr. McCULLOCH. Did he know about this talk?

Mr. KEWISH. I am pretty sure he was in our gang at that time, and the rest of the boys were some from Madison and quite a number from Chicago.

Mr. McCULLOCH. Do you know the names of the boys from Madison?

Mr. KEWISH. I don't know just—Locke was one of them; I do not know his first name. I could not tell you the names, because we gave them nicknames and they went by that all the time.

Mr. McCULLOCH. Now, did you ever hear any talk, or did you ever have any talk yourself with anyone in the gang across the street?

Mr. KEWISH. No; I did not, because they were all Jews and you couldn't talk with them.

Mr. McCULLOCH. If none of you fellows could talk with them, who was it that found out they were paying this?

Mr. KEWISH. Well, they would talk, but if you got them started they wouldn't stop.

Mr. McCULLOCH. I want to ask you this direct question now: Was this just surmise or has it some foundation, in your judgment?

Mr. KEWISH. I think that it has a whole lot of foundation.

Mr. McCULLOCH. Will you tell the committee why you come to that conclusion; upon what you base that?

Mr. KEWISH. Because the foreman was fired for that.

Mr. McCULLOCH. By whom?

Mr. KEWISH. I would not say for sure, but I think Tom Rogers fired him.

Mr. McCULLOCH. So that he was fired by the contractor for that kind of thing?

Mr. KEWISH. Yes, sir.

Mr. McCULLOCH. Do you know when that occurred?

Mr. KEWISH. It seems to me it was sometime in August, 1917.

Mr. McCULLOCH. You don't know the name of the foreman?

Mr. KEWISH. No; I don't. We always called him Bill.

Mr. McCULLOCH. That is, the foreman on the other side of the street, his name was Bill?

Mr. KEWISH. We always called him Bill; I don't know that I ever head his last name. Of course, when you would meet a man out there you always called him Jack or Bill, or whatever it was.

Mr. McCULLOCH. Tell the committee whether or not at any time during your work at the camp you were directed by your foreman to slow up?



Mr. KEWISH. We were working at the base hospital on Se Street North, and we were skirting—that is, sheathing up foundations—and he told us, he says, “There is all the foreman work for you.” We work about an hour and a half and we have pretty near completed, and he came out there and says, “You are working too fast.” He says, “Tear off some of that so that you have something to do when the boss comes along,” and we did off a few of them, and just practically did nothing for an hour.

Mr. McCULLOCH. How many men were working there?

Mr. KEWISH. Well, there were me and my partner on that building, and two other men on the building next to us.

Mr. McCULLOCH. What was the foreman's name?

Mr. KEWISH. I don't know what his name was; we called him Mack?

Mr. McCULLOCH. Was he a foreman?

Mr. KEWISH. He was a straw boss.

Mr. McCULLOCH. Who was your foreman, your immediate man, under him?

Mr. KEWISH. We just got shifted into that gang at that time. I couldn't tell you who the foreman was. I was in Rennick's gang, but Pete Hurst and Tom Ellis, I think it was. We were all brought up at that time, and I don't know what his name was. He was a straw boss.

Mr. McCULLOCH. You don't know his name?

Mr. KEWISH. Mack is all we know.

Mr. McCULLOCH. He was representing the contractor?

Mr. KEWISH. He was representing Rennick.

Mr. McCULLOCH. When was that, about?

Mr. KEWISH. It was in the last of September.

Mr. MCKENZIE. What year?

Mr. KEWISH. 1917; this is all in 1917.

Mr. McCULLOCH. What would you say to the committee whether or not the men on that work while you were on it did a fair day's work?

Mr. KEWISH. Why, I considered that our gang worked right pretty good; that is, they did a fair day's work.

Mr. McCULLOCH. Were there too many men on a job or too few?

Mr. KEWISH. No; we had what we considered just a fair gang. It was not to be crowded; 30 men on a building of that kind, I think was a fair gang.

Mr. McCULLOCH. What did you observe of other gangs?

Mr. KEWISH. Well, I seen a whole lot of loafing on the different kinds of work and the latrine filled half of the time.

Mr. McCULLOCH. Well, do you think the men on the other gangs were doing a day's work?

Mr. KEWISH. Well, I would not say they were not doing a fair day's work, but at the same time their work was not accomplished as fast as some were getting along with.

Mr. McCULLOCH. Did you ever work on Sundays at Camp Green?

Mr. KEWISH. I worked two Sundays.

Mr. McCULLOCH. That is, under the Bates & Rogers contract?

Mr. KEWISH. Bates & Rogers; yes, sir.

Mr. McCULLOCH. Did you pay your foreman?

Mr. KEWISH. No, sir.

Mr. McCULLOCH. Was there ever any suggestion made by any foreman to you that you should pay him for the privilege of working on Sunday?

Mr. KEWISH. No, sir.

Mr. McCULLOCH. Are you a union man?

Mr. KEWISH. Yes, sir.

Mr. McCULLOCH. Were all the men on your gang union men?

Mr. KEWISH. They were after the first two weeks; the first two weeks they got organized, and after that they were all union men.

Mr. McCULLOCH. Were all those men on the other gangs that you say were loafing around in the latrine, were they union fellows, or were they—

Mr. KEWISH (interposing). I think that we had the only union gang in that vicinity there; that is, complete.

Mr. McCULLOCH. And your gang, you say, did a day's work?

Mr. KEWISH. We thought we did.

Mr. McCULLOCH. How about the other fellows?

Mr. KEWISH. Well, they might say that we did not.

Mr. McCULLOCH. I am talking about what you say you observed as to what they did?

Mr. KEWISH. Why, I don't know; I wouldn't say that they did not do a day's work, but I thought they were getting along slow.

Mr. MCKENZIE. Were the men in your gang all carpenters?

Mr. KEWISH. Yes; we had five contractors in the gang.

Mr. MCKENZIE. Did you object to nonunion men working in your gang?

Mr. KEWISH. Well, I did not, but we had a spotter on the job that kept right after them and made it so hot for them that they got away from there.

Mr. McCULLOCH. But you did say that it took 55 men on one barracks while your gang was building what?

Mr. KEWISH. A barrack just like it and a barn and some tables; about three days building tables in another barrack.

Mr. McCULLOCH. How many men were there in your gang?

Mr. KEWISH. I think 32.

Mr. McCULLOCH. Thirty-two men in your gang built a barracks and a barn and what else?

Mr. KEWISH. Some tables.

Mr. McCULLOCH. And what else?

Mr. KEWISH. That is all I know of.

Mr. McCULLOCH. And you did that in what time?

Mr. KEWISH. Well, in less time than it took them to build their barracks.

Mr. McCULLOCH. Less time than it took 55 men to build a barracks?

Mr. KEWISH. They had a lot of trouble with it; they had to change their rafters twice.

Mr. McCULLOCH. Why?

Mr. KEWISH. On account of a mistake or something.

Mr. McCULLOCH. Do you say that was due to the workmen being inefficient?

Mr. KEWISH. I think so; I would say it was.

Mr. McCULLOCH. What do you say as to its being due to the planning?



Mr. KEWISH. Well, I think it was due to the man that laid out the barn.

Mr. McCULLOCH. Then you say it was due to the laying out of the building or the inefficiency of the labor; is that it?

Mr. KEWISH. Yes, sir.

Mr. MCKENZIE. Let me ask you about that gang of men who worked across the street. You said you could not talk with them; they were Jews. Were those men members of the union?

Mr. KEWISH. Some of them were; they were from Chicago. When starting out we was working in Horton's unit, and just as fast as he came he put them in our gang, and he started one building and there was too many men, so he had some of us with them on another building, and that night he said for us all to report back to him on another building, and he left them by themselves, and that was the last of them in our gang; he put them in a gang by themselves.

Mr. MCKENZIE. That is all.

#### TESTIMONY OF MR. CLARENCE MAXWELL, DAVIS JUNCTION, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Your name is Clarence Maxwell?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. And you live at Davis Junction, Ill., isn't that right?

Mr. MAXWELL. No; I live at Milford Township and get my mail there.

Mr. McCULLOCH. Your address is Davis Junction, R. F. D. No. 1, isn't that right?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. What did you do there?

Mr. MAXWELL. I had a team.

Mr. McCULLOCH. Furnished your own team?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. How long did you work on Camp Grant?

Mr. MAXWELL. I worked from the last day of June until—

Mr. McCULLOCH (interposing). 1917?

Mr. MAXWELL. Yes, sir; until November, some time.

Mr. McCULLOCH. 1917?

Mr. MAXWELL. 1917.

Mr. McCULLOCH. That was under the Bates & Rogers contract?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. What do you say as to whether or not there were more teams on that job at the time you were working than should have been on the job to do the work effectively?

Mr. MAXWELL. Why, I presume they could have done the work with less teams if they wanted to.

Mr. McCULLOCH. How many less, in your opinion?

Mr. MAXWELL. Oh, I don't know how many.

Mr. McCULLOCH. Let us put it this way: How many teams in your opinion, doing an ordinary day's work, could have done the work on that job as compared with the number that were on that job third or one-fourth?

Mr. MAXWELL. They might have taken one-third off and got just as much work done out of them.

Mr. McCULLOCH. Well, is it your opinion that they had one-third too many teams on that job?

Mr. MAXWELL. Well, I don't know whether they did or not; they had them there and tried to keep them busy, was the way I looked at it.

Mr. McCULLOCH. What do you say about the way the men worked in loading the wagons?

Mr. MAXWELL. Well, they took lots of time.

Mr. McCULLOCH. Well, did they take too much time; did they loaf on the job?

Mr. MAXWELL. No; they kept moving all the time.

Mr. McCULLOCH. Were they doing a day's work?

Mr. MAXWELL. I would not call it a day's work.

Mr. McCULLOCH. You tell us now what you would call it; we are trying to get the facts. If you will tell us what you saw there and what your impressions were, that is all we want; but we want you to tell us frankly the truth about it.

Mr. MAXWELL. They kept moving all the time to get the time in.

Mr. McCULLOCH. Is that your opinion here, that they kept moving to get the time in?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. It is your opinion that they were loafing on the job?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Tell us about when they were unloading lumber; how did they do it?

Mr. MAXWELL. They took one stick at a time.

Mr. McCULLOCH. How many should they have taken?

Mr. MAXWELL. Some of those sticks you could have taken three or four.

Mr. McCULLOCH. If they had been working for you what would you have insisted upon; would you have stood for that?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. What would you have insisted upon?

Mr. MAXWELL. I would have insisted upon them taking more.

Mr. McCULLOCH. You would not have stood for them taking one little stick at a time?

Mr. MAXWELL. No; lots of them you could not get them to take more.

Mr. McCULLOCH. Would you have had a man on the job if he had worked as those men did; would you have kept him on the job?

Mr. MAXWELL. If you couldn't get anybody else you would have to hire them.

Mr. McCULLOCH. Do you think that was the situation there?

Mr. MAXWELL. It looked that way.

Mr. McCULLOCH. Why do you think that?

Mr. MAXWELL. Because they kept them there and they didn't work.

Mr. McCULLOCH. But they didn't work?

Mr. MAXWELL. No; they put the time in; they were moving all the time.

Mr. McCULLOCH. Who was the superintendent of teams when you went to work there?

Mr. MAXWELL. Why, Lorden started in; I was under him I don't know, about three or four weeks.

Mr. McCULLOCH. Was he working; Mike Lorden, he was the intendent of teams; is that right?

Mr. MAXWELL. I think so.

Mr. McCULLOCH. Whom did he represent; who was he working for?

Mr. MAXWELL. I don't know who he took the contract of; he took the contract to furnish the teams there when they first started.

Mr. McCULLOCH. Was it under the Bates & Rogers contract?

Mr. MAXWELL. I couldn't tell you.

Mr. McCULLOCH. Tell us when it was you went to work.

Mr. MAXWELL. I went to work the last day of June.

Mr. McCULLOCH. 1917?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. And you remained there until September time?

Mr. MAXWELL. November.

Mr. McCULLOCH. 1917?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Who did you hire out to?

Mr. MAXWELL. To Lorden, in the first place.

Mr. McCULLOCH. Mike Lorden?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Did you understand that he was representing the contractor or himself?

Mr. MAXWELL. I did not understand which way; he asked me to go to work for him and told me how much he would give me, and I went to work.

Mr. McCULLOCH. How much did he give you?

Mr. MAXWELL. \$6.50 at that time.

Mr. McCULLOCH. Do you know how much the Government was paying for those teams?

Mr. MAXWELL. Eighty cents an hour.

Mr. McCULLOCH. Ten hours' work and 11 hours' pay?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. \$8.80 the Government was paying at that time.

Mr. MAXWELL. Yes, sir; that is what I got afterwards.

Mr. McCULLOCH. At that time you got \$6.50?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Where did the difference go to?

Mr. MAXWELL. I couldn't tell you.

Mr. McCULLOCH. You knew that the Government was paying more for those teams?

Mr. MAXWELL. That is what I was told they paid.

Mr. McCULLOCH. And afterwards you did get \$8.80?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Yet at that time you got \$6.50 for your teams?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Just when did you commence to get \$6.50 a day? how long did you get it?

Mr. MAXWELL. I don't know; I could not tell you; in the last of June I got \$6.50; I could not tell you without my book, and I think that is lost.

Mr. McCULLOCH. When you started to working, the last of June, you got \$6.50 for your team and hired to Mike Lorden?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. About how long was it that you received \$6.50 for your teams?

Mr. MAXWELL. I could not tell you whether it was three or four weeks.

Mr. McCULLOCH. Well, was it about three or four weeks?

Mr. MAXWELL. Something like that.

Mr. McCULLOCH. Then what happened?

Mr. MAXWELL. Why, they came around there and we went to work the other way; I don't know how it happened, but I quit him, and told him I was not working for him any longer and I was going with the other bunch that was getting 80 cents an hour straight.

Mr. McCULLOCH. And then you went and hired to whom?

Mr. MAXWELL. I don't know who I hired to; they took my name on the other pay roll is all I know, from the team boss.

Mr. McCULLOCH. During the time you were working for Lorden, how did you get your money?

Mr. MAXWELL. I got Mike Lorden's check.

Mr. McCULLOCH. Mike Lorden paid you?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Were you checked in and checked out?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Was there any difference in the way you were checked in and checked out when you were working for Lorden than when you were working for the other people?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. Did you check in in your own name or Lorden's name?

Mr. MAXWELL. I had a number I went by.

Mr. McCULLOCH. Who did you get that number from?

Mr. MAXWELL. I got it from Lorden; from the teamsters' association.

Mr. McCULLOCH. From the teamsters' association?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Well, did you use the same number after you were under the \$8.80 basis?

Mr. MAXWELL. Yes; I had the same number until I quit.

Mr. McCULLOCH. Did you check in and check out the same way?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. So there was no difference, except only you were paid by Mike Lorden during those three or four weeks, and later you were paid by whom?

Mr. MAXWELL. I got Bates & Rogers check.

Mr. McCULLOCH. Bates & Rogers check?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. You don't know whether Mike Lorden represented the contractor or not?

Mr. MAXWELL. No, sir; I do not.

Mr. McCULLOCH. You don't know whether he was employed by the contractor or not?

Mr. MAXWELL. No, sir; I do not.

Mr. McCULLOCH. What is your business now?

Mr. MAXWELL. Teaming.

Mr. McCULLOCH. Still working at the team work, are you?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. How many teams have you worked?

Mr. MAXWELL. I have just one team.

Mr. McCULLOCH. Did you ever work more than one team?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. Never did any contracting; just worked as an individual teamster, driving your own horses?

Mr. MAXWELL. Yes, sir; I drove my own team all the time.

Mr. McCULLOCH. Did you take it easy when you were working on Camp Grant, or did you hustle?

Mr. MAXWELL. Why, I did what I was told to do; kept my work up that I was to do.

Mr. McCULLOCH. Working as you were told to, did you loaf on the job to any extent?

Mr. MAXWELL. Not very often; only when I worked too far ahead. I had word they did not want too much stuff distributed around where I was at.

Mr. McCULLOCH. Did they tell you that?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Told you they didn't want to get too much stuff around?

Mr. MAXWELL. Yes, sir; I was hauling cement; that was my job for 22 weeks.

Mr. McCULLOCH. What did they tell you about that?

Mr. MAXWELL. If you piled too much they checked the teams up.

Mr. McCULLOCH. Did that result in your loafing to any extent?

Mr. MAXWELL. I didn't loaf. I drewed so many loads a day.

Mr. McCULLOCH. Do you know whether or not Mike Lorden was a contractor to furnish teams to Bates & Rogers?

Mr. MAXWELL. No, sir; I don't.

Mr. McCULLOCH. You don't know anything about that?

Mr. MAXWELL. No, sir; I don't.

Mr. McCULLOCH. I think that is all.

Mr. McKENZIE. Did you have any difficulty in getting in direct contact with the general contractor?

Mr. MAXWELL. In what?

Mr. McKENZIE. Did you get in direct contact with the general contractor when you were hired?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. At the time that you decided that you would not work for \$6.50 a day and decided to hire with the contractor direct, or at \$8.80, did you have any trouble?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. Did you try at any time to get on direct before that time?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. And you couldn't do it?

Mr. MAXWELL. No, sir; I didn't.

Mr. McCULLOCH. Do you know of any teamsters that tried to get and couldn't?



Mr. MAXWELL. No, sir; I do not.

Mr. McCULLOCH. So when you came to the point that you were going to shift and going to quit Mike and hire with somebody else, you didn't have any trouble getting on with the other fellow?

Mr. MAXWELL. No, sir; I didn't.

Mr. McCULLOCH. Whether it was the contractor or who it was?

Mr. MAXWELL. No, sir; I didn't. They told me my number was changed over, that was all.

Mr. McCULLOCH. Your number was changed over?

Mr. MAXWELL. Yes, sir; my number was changed so I could get \$8.80.

Mr. McCULLOCH. Who told you?

Mr. MAXWELL. The team boss.

Mr. McCULLOCH. Who was he?

Mr. MAXWELL. Saunders.

Mr. McCULLOCH. Was that Bates & Rogers's team boss?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Who told you your number would be shifted over?

Mr. MAXWELL. He did.

Mr. McCULLOCH. He told you your number was shifted over?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. What did he mean by that?

Mr. MAXWELL. I don't know; the next check I got 80 cents an hour, is all I know about it.

Mr. McCULLOCH. Did the team boss know that you were working for Mike Lorden?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. And did he know that you were only getting \$6.50 a day?

Mr. MAXWELL. I don't know; he never asked me and I never told him.

Mr. McCULLOCH. He didn't say anything about it?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. But he did know that you were on the job with your team?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Did he know that while you were getting \$6.50 a day?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. He was your boss?

Mr. MAXWELL. He was my boss.

Mr. McCULLOCH. Therefore, he must have known that you were working there through somebody else; you owned your own team; it was not Mike's team?

Mr. MAXWELL. No, sir; it was not.

Mr. McCULLOCH. Did he know that it was not Mike's team?

Mr. MAXWELL. No; I told him it was my own team.

Mr. McCULLOCH. Then if you told him, he knew it didn't he?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Did he know all the time you were on that job that you owned your own team?

Mr. MAXWELL. Yes, sir; he did.

Mr. McCULLOCH. And that you were working through this so-called middleman, Mike Lorden?

Mr. MAXWELL. I suppose he knew it; I never asked him and he never asked him.

Mr. McCULLOCH. But he did tell you that your number was transferred, did he?

Mr. MAXWELL. I was to get my next pay check over to the Bates & Rogers office, that is all I know.

Mr. McCULLOCH. You did ask to be transferred, didn't you?

Mr. MAXWELL. Why, yes; there was a whole bunch of us got transferred; we told them we wasn't going to work for Lorden any more for that money, and there was a whole bunch changed over.

Mr. McCULLOCH. Who was it you told that you wasn't going to work for Lorden any more for that money?

Mr. MAXWELL. I couldn't tell you whether it was Saunders or not.

Mr. McCULLOCH. Did you tell the team boss?

Mr. MAXWELL. I couldn't tell you; we went together.

Mr. McCULLOCH. Tell us how many there were?

Mr. MAXWELL. I couldn't tell you; there might have been 200 teams.

Mr. McCULLOCH. Two hundred teams?

Mr. MAXWELL. Yes; there might have been about that many that got changed over about that time.

Mr. McCULLOCH. Just about how many do you think changed over at that time; give us your estimate.

Mr. MAXWELL. I couldn't tell you; there was a bunch of them.

Mr. McCULLOCH. Would you say it ran as many as 200?

Mr. MAXWELL. I wouldn't say for sure.

Mr. McCULLOCH. That changed over?

Mr. MAXWELL. It run around there, I know.

Mr. McCULLOCH. How long did the other teams, if you know, that were transferred at that time, work under Mike Lorden?

Mr. MAXWELL. Why, they kept coming in all the time; every day there were new teams come in and go to work.

Mr. McCULLOCH. When you went to work there on the last day of June, about how many teams were there?

Mr. MAXWELL. There were 21 started.

Mr. McCULLOCH. They kept increasing, did they?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Until they reached approximately 200, you think?

Mr. MAXWELL. Well, I presume when they changed over there might have been 300 teams there at that time. There were lots never worked for Lorden.

Mr. McCULLOCH. I mean you fellows that decided you were not going to work for Lorden any more.

Mr. MAXWELL. There might have been 200.

Mr. McCULLOCH. So that the teams increased from time to time during those three or four weeks from 21 when you started to, it might have been, 200; is that right?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Did you have a meeting and decide you were not going to do that; did you all work in unison, and did you decide this thing?

Mr. MAXWELL. We talked it over, and knew we was going to change over.

Mr. McCULLOCH. What did they say?

Mr. MAXWELL. I don't know how it came out. They said they were going to change over and draw 80 cents an hour.

Mr. McCULLOCH. Do you know whether it was the team boss for Bates & Rogers; that is, whether he told you this, or did somebody else do it?

Mr. MAXWELL. No; he didn't do it; some of the other boys. I don't know who it was now.

Mr. McCULLOCH. Do you know what he said?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. But when you came to change over you were able to have your pay roll shifted from Lorden to Bates & Rogers direct; is that it?

Mr. MAXWELL. Yes, sir; I was shifted, anyway.

Mr. McCULLOCH. And you say that the team boss for Bates & Rogers did know that there was this middleman operating here and hiring teams to them; hiring them himself at a lower figure, and then rehiring them at a higher figure?

Mr. MAXWELL. I supposed he knew it.

Mr. McKENZIE. Who is this man Lorden?

Mr. MAXWELL. Why, he is an expressman here in Rockford.

Mr. McKENZIE. Lives here in Rockford?

Mr. MAXWELL. Yes, sir.

Mr. McKENZIE. And if I understand your complaint it is that he hired you and other teamsters for \$6.50 a day, or \$6 or whatever it was, and then turned them over to Bates & Rogers for 80 cents an hour?

Mr. MAXWELL. I don't know who he turned them over to, but he got his 80 cents an hour.

Mr. McKENZIE. From Bates & Rogers?

Mr. MAXWELL. I don't know who he got his money from; I couldn't tell you.

Mr. McKENZIE. You are sure of that?

Mr. MAXWELL. Yes, sir; I am, because I heard that afterwards, and they told me before I started they were going to pay 80 cents an hour.

Mr. McKENZIE. And your complaint is that Bates & Rogers were paying 80 cents an hour that you should have had rather than the middleman getting a rake-off?

Mr. MAXWELL. Yes, sir.

Mr. McKENZIE. And you are sure that he got that rake-off?

Mr. MAXWELL. I don't know whether he got it; I got my 80 cents an hour afterwards, I know that.

Mr. McCULLOCH. If there were 200 teams and you say there were about that number around there, and the Government was paying \$8.80 for those 200 teams and you were only receiving \$6.50 there would be a difference of \$2.30 a day on each team, which would amount to \$460 a day that somebody got for the use of your teams; because you didn't get it, did you?

Mr. MAXWELL. No; I didn't get it.

Mr. McCULLOCH. How many teams were working for Lorden when you started in to work there?



Mr. MAXWELL. I think it was 21 started on a Saturday morning: I think now, I won't be positive, but I think that is what went on.

Mr. McCULLOCH. And they were working for Lorden, were they?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. And then, as I understand your testimony, that increased——

Mr. MAXWELL (interposing). They kept on coming and getting more teams as they needed them.

Mr. McCULLOCH. Was Lorden turning them in?

Mr. MAXWELL. Yes, sir; at first.

Mr. McCULLOCH. So, as I understand you, there was approximately around 200 teams that Lorden had on the pay roll at the time you transferred?

Mr. MAXWELL. Yes; I think so.

Mr. McCULLOCH. There may have been, I understood you to say, 300 or more teams on the job?

Mr. MAXWELL. I think so.

Mr. McCULLOCH. But those that were transferred were about 200 at that time?

Mr. MAXWELL. That is what I would think.

Mr. McCULLOCH. When was that?

Mr. MAXWELL. About a month afterwards; I think that is when it was I made the change.

Mr. McCULLOCH. You said three or four weeks?

Mr. MAXWELL. Yes; if I had my book I would know to a day.

Mr. McCULLOCH. After the 30th of June. Do you know for sure there were 200 teams working for Lorden?

Mr. MAXWELL. I just estimated.

Mr. McCULLOCH. I think the point to get clear is, are you sure there were 200 teams transferred, or were there just 200 teams on the job?

Mr. MAXWELL. No, sir; I ain't sure.

Mr. McCULLOCH. How do you know there were 200 teams working for Lorden?

Mr. MAXWELL. I was just estimating at that; I don't know; I just estimated that.

Mr. McCULLOCH. How do you know that those 200 teams referred too were teams working for Lorden rather than teams on the Bates & Rogers pay roll?

Mr. MAXWELL. The first two or three weeks Lorden had all the teams; they were all on his pay roll; every team that was there; around three or four weeks, I could not tell you exactly how long it was.

Mr. McCULLOCH. Then you had to hire to Lorden?

Mr. MAXWELL. Yes, sir; they hired through Lorden; yes, sir.

Mr. McCULLOCH. Did you try to get on direct?

Mr. MAXWELL. Yes, sir; and I couldn't.

Mr. McCULLOCH. You say you tried to get on direct and couldn't?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Who told you you couldn't?

Mr. MAXWELL. Lorden himself.

Mr. McCULLOCH. Anybody else?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. And did you go to Bates & Rogers and try to get on?

Mr. MAXWELL. No, sir; I didn't.

Mr. McCULLOCH. Why didn't you?

Mr. MAXWELL. They told me I couldn't.

Mr. McCULLOCH. Who told you that?

Mr. MAXWELL. Mr. Lorden and his helper, whoever he was.

Mr. McCULLOCH. Why did he tell you that?

Mr. MAXWELL. I don't know why.

Mr. McCULLOCH. You knew that somebody was paying Lorden \$8.80 a day?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. And you would have liked to have had that yourself?

Mr. MAXWELL. Yes; I would have liked to have had it.

Mr. McCULLOCH. And you only got \$6.50 a day?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Did anybody say to you at any time why you could not get the \$8.80 that Lorden got?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. Did you inquire?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Who did you inquire of?

Mr. MAXWELL. I don't know who it was now, but Lorden said he had the contract for all the teams; they had to come to him the day I hired out; he said he had the contract for all the teams there.

Mr. McCULLOCH. Who did he say he had the contract with?

Mr. MAXWELL. He didn't say; but he said he had the contract for all the teams.

Mr. McCULLOCH. You, then, did hire with him and go on the work?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. Did you try yourself at any time during that month to get on direct?

Mr. MAXWELL. No, sir.

Mr. McCULLOCH. But you understood that you could not get on direct; is that it?

Mr. MAXWELL. Not at the beginning, I couldn't.

Mr. McCULLOCH. When you did try, the 200 of you—or the number of you that had the meeting that decided to get on—you got on without any trouble, didn't you?

Mr. MAXWELL. Yes, sir.

Mr. McCULLOCH. How did you know that you couldn't get on before that?

Mr. MAXWELL. I know what Lorden told me that he had the contract for furnishing the teams, is all I know.

Mr. McCULLOCH. That is all.

#### TESTIMONY OF JESSE D. GRAHAM, ROCKFORD, ILL.

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your name?

Mr. GRAHAM. Jesse D. Graham.

Mr. McCULLOCH. Post-office address R. F. D. No. 10, Rockford, Ill.?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. You live in the country?

Mr. GRAHAM. Yes, sir; on a farm.

Mr. McCULLOCH. Did you work at Camp Grant?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. As what?

Mr. GRAHAM. As a teamster.

Mr. McCULLOCH. Did you have your own team?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. When did you go to work there?

Mr. GRAHAM. Along about the 3d of July, I believe.

Mr. McCULLOCH. 1917?

Mr. GRAHAM. 1917; yes, sir; or the 4th of July.

Mr. McCULLOCH. How many teams did you have?

Mr. GRAHAM. Three teams, most of the time.

Mr. McCULLOCH. And you furnished a driver?

Mr. GRAHAM. Yes; I hired drivers.

Mr. McCULLOCH. To drive?

Mr. GRAHAM. Yes; I hired drivers to drive two and I was there to see that they were checked in and checked out.

Mr. McCULLOCH. When you started to work there tell us who you hired to.

Mr. GRAHAM. I hired to Mike Lorden, I think, the 3d of July; I told him that I understood that he wanted to hire teams, and he had the contract to furnish teams.

Mr. McCULLOCH. He told you that?

Mr. GRAHAM. I heard that through the country, and then I went to see him, and he said he had; that was hearsay at first and I went to investigate.

Mr. McCULLOCH. What did he say to you?

Mr. GRAHAM. He said, "I have the contract to furnish all the teams."

Mr. McCULLOCH. Did you ask him how much he would pay?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. What did he say?

Mr. GRAHAM. He told me \$6.50 a day for 10 hours' work.

Mr. McCULLOCH. \$6.50 for 10 hours' work?

Mr. GRAHAM. \$6.50 for 10 hours' work.

Mr. McCULLOCH. Did you know what he was receiving?

Mr. GRAHAM. No, sir; I did not.

Mr. McCULLOCH. Did you afterwards find out?

Mr. GRAHAM. Well, from the conclusions and things I knew he must have been making something off of it.

Mr. McCULLOCH. When did you discover that he was making something off of it?

Mr. GRAHAM. We worked about three weeks for him before we discovered it—it came to our knowledge that he was making so much profit.

Mr. McCULLOCH. How much profit did you learn that he was making?

Mr. GRAHAM. I learned that the Government scale was \$8.80, 10 hours' work and 11 hours' pay.

Mr. McCULLOCH. What did you do?

Mr. GRAHAM. Mr. Earling came to us and said that he was going—Earling came to the camp after I did; he came to work at the camp after I did, but he commenced to investigate and said he thought we ought to get the going wages, what the Government was paying, and, of course, when we found Lorden was making a profit off us we wasn't satisfied, wasn't pleased.

Mr. McCULLOCH. Now, at the time you hired to Lorden, when he represented to you that he had the contract and that you could only get on the job through him—did he say that?

Mr. GRAHAM. Yes; he said he had the contract for furnished all the teams.

Mr. McCULLOCH. You believed what he said?

Mr. GRAHAM. I did at the time.

Mr. McCULLOCH. And hired to him with that understanding?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. And your understanding was that you could not get on the job unless you went through Lorden?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Now, after this investigation that was made by Mr. Earling, did he report back to you men?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. What did he tell you?

Mr. GRAHAM. He said the Government was paying \$8.80 and there was no reason why we could not get \$8.80; and then we seen teams working around that did not have this check Lorden furnished us, and we did not know where they checked in, but we wondered why they were working for somebody else and we for Lorden; and we asked them, and they said they were getting \$8.80.

Mr. McCULLOCH. How did you check in?

Mr. GRAHAM. A man took our number.

Mr. McCULLOCH. Did you have a number?

Mr. GRAHAM. Lorden gave me a tin number with a number painted on it.

Mr. McCULLOCH. Just a number?

Mr. GRAHAM. Yes, sir; they would take our names at the checking station.

Mr. McCULLOCH. And they took the number that Lorden gave you?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Was that on the original contract?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. He checked you in?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. And he accepted Lorden's number?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. And you would hold that number during the day?

Mr. GRAHAM. It was tied on my bridle on the team.

Mr. McCULLOCH. And at night what did you do?

Mr. GRAHAM. It was left on the harness.

Mr. McCULLOCH. And how did you get out?

Mr. GRAHAM. We drove through and hollered out our number.

Mr. McCULLOCH. Was your number ever examined?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Did you have any conversation with any representative of the contractor——

Mr. GRAHAM (interposing). No, sir; I never did.

Mr. McCULLOCH. Did Mr. Earling?

Mr. GRAHAM. He claims he did; he says he did.

Mr. McCULLOCH. I guess you had better tell us what Earling said to you?

Mr. GRAHAM. Why, Earling said we was only getting \$6.50 a day and he understood Lorden was getting \$8.80 and he had been to see them and we should drop Lorden and go to work the next morning under this new system.

Mr. McCULLOCH. What I want you to tell the committee is what Mr. Earling said to you about his conversation with the contractor or his agent.

Mr. GRAHAM. He said that he went to see the head man and they were paying \$8.80, and he said, "We are going to have numbers gotten out for our teams and you will have to join this teamwork at the camp."

Mr. McCULLOCH. Join what?

Mr. GRAHAM. Join this union, if you work.

Mr. McCULLOCH. That is another angle; Earling told you that?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. What did he say about the Teamsters' Union; had you belonged to the Teamsters' Union before?

Mr. GRAHAM. No, sir; I had not; I did not believe in it.

Mr. McCULLOCH. So you were told by Earling, "If you are going to get on you have to join the Teamsters' Union"?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. How much salvage did you have to give for that?

Mr. GRAHAM. I gave \$1 a team for my brass number, I think \$3.50.

Mr. McCULLOCH. For how long?

Mr. GRAHAM. For the season; all the charge was made at first, and then he came on to us after that, and I took my teams home, and he sent me a bill about the time I got home for \$80 and something for cleaning out the stables and feeding my teams and watering the teams.

Mr. McCULLOCH. Had he done that?

Mr. GRAHAM. No, sir; I watered my own teams.

Mr. McCULLOCH. What kind of a button did you get?

Mr. GRAHAM. A brass check I called it; I had 71, 72, and 73.

Mr. McCULLOCH. And that brass check cost you how much?

Mr. GRAHAM. \$3.50, the three.

Mr. McCULLOCH. And that qualified you?

Mr. GRAHAM. Just a number, it looked a little better; just a number to go on the teams.

Mr. McCULLOCH. But that qualified you to get on the Government pay roll?

Mr. GRAHAM. That is what they told me.

Mr. McCULLOCH. Who was it told you that?

Mr. GRAHAM. That was this teamsters' union that they formed at Camp Grant; Rockford had a teamsters' union here and it was a part of that they formed, so they told me.

Mr. McCULLOCH. You don't know whether the contractor had anything to do with that or not?

Mr. GRAHAM. No, sir; I do not; I don't think he did.

Mr. McCULLOCH. You don't think he did?

Mr. GRAHAM. No, sir; just this local union, is all.

Mr. McCULLOCH. You formed a union and then you went on direct?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. What did Earling say to you as to the conversation between himself and the contractor?

Mr. GRAHAM. He said I would get \$8.80 a day and Bates & Rogers would pay me, and there would be no other charges, and I would work there as long as they needed me or I was fired.

Mr. McCULLOCH. Did he say anything about Lorden having the contract and receiving this money?

Mr. GRAHAM. He said he understood that Mike Lorden had the contract but he guessed there was nothing to it; anybody could work there.

Mr. McCULLOCH. You then did go on direct?

Mr. GRAHAM. Yes; after I had this brass check on my team, the next morning, I drove through the same place and the Bates & Rogers men took my name that morning.

Mr. McCULLOCH. Had he ever taken your name before?

Mr. GRAHAM. Mike Lorden had, but the other contractor had not.

Mr. McCULLOCH. How about this \$80?

Mr. GRAHAM. I received a bill from the teamsters' union that I owed them between eighty and ninety dollars.

Mr. McCULLOCH. Did you pay it?

Mr. GRAHAM. No, sir; I did not.

Mr. McCULLOCH. They had not fed your team?

Mr. GRAHAM. No, sir. They gave the bill to a lawyer to sue, but they didn't carry it out, which I was sorry they didn't.

Mr. McCULLOCH. Was Earling selling feed to Government teamsters?

Mr. GRAHAM. He never sold any to me; I wouldn't say. I kept my teams at the farm and drove back and forth.

Mr. McCULLOCH. Did you see them feeding teams on the grounds there?

Mr. GRAHAM. They fed teams on the north side of the camp, on the Samuelson Road.

Mr. McCULLOCH. Who did that?

Mr. GRAHAM. Lorden had his there; Lorden had his tent there.

Mr. McCULLOCH. Do you know whether he had any privilege from the contractor there to do that?

Mr. GRAHAM. No, sir; I do not.

Mr. McCULLOCH. Was it on the camp or grounds?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Did you ever see any of the representatives of the contractor around there?

Mr. GRAHAM. No, sir; I did not hang around there at all; I fed where I checked in and checked out.

Mr. McCULLOCH. Did you see any feed around there?

Mr. GRAHAM. There was feed piled up there. I got a horse shod there one night—was the only time I was up there, I guess—and there was feed piled up there in the individual tents.

Mr. McCULLOCH. You don't know what was meant when they said Lorden had the contract? You don't know who he had the contract with, do you?

Mr. GRAHAM. No; I never heard or asked at all.

Mr. McCULLOCH. Did you try to get on direct when you first went in there?

Mr. GRAHAM. No, sir; because I understood that he had the contract, and I thought I would be wasting my time, and I didn't try at all.

Mr. McCULLOCH. So it was only after you made the discovery—

Mr. GRAHAM (interposing). Yes, sir; I knew that there was others in there that did not have Mike Lorden's check on, and I knew that he must be working—I knew they must be working for somebody else at the camp; common sense would tell me that.

Mr. McCULLOCH. Just to verify these figures: How many teams there were, about, that were transferred from Lorden to direct—

Mr. GRAHAM (interposing). By my best judgment, I should say about 175 to 225, to my best judgment.

Mr. McCULLOCH. You should say 175 to 225 teams Lorden had on the pay roll?

Mr. GRAHAM. That is my best judgment.

Mr. McCULLOCH. In making that estimate you are referring to teams that were on the same status that you were?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Mike Lorden teams, with the Mike Lorden check on?

Mr. GRAHAM. Yes, sir; that is my judgment.

Mr. McCULLOCH. And those teams were receiving the same amount that you were receiving, \$6.50 a day?

Mr. GRAHAM. Well, all that I talked with were.

Mr. McCULLOCH. Is it your opinion they were?

Mr. GRAHAM. Yes, sir; it is my opinion they were.

Mr. McCULLOCH. How many other teams were there on the job at that time, give us your estimate, that were not on the Mike Lorden pay roll?

Mr. GRAHAM. There was more coming every day; I should judge about 100 at that time.

Mr. McCULLOCH. About 100 direct and 175 to 225 on the Mike Lorden pay roll.

Mr. GRAHAM. To my best judgment.

Mr. McCULLOCH. Do you remember the occasion when you were going along about as slow as you could go when a foreman of Bates & Rogers came to you and told you to slow up?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Tell us about that?

Mr. GRAHAM. I was going along and he came on and said, "You are going too fast." I said, "We never hurt our team." I thought he was fooling, and he said, "Well, you are not working piece-work."

Mr. McCULLOCH. Do you think he was serious about that or joking?

Mr. GRAHAM. He was serious.

Mr. McCULLOCH. Who was the man?

Mr. GRAHAM. I don't know; they were all nicknames to me; I saw too many bosses off and on; I couldn't tell you how many.

Mr. McCULLOCH. Was there more than one said that to you?

Mr. GRAHAM. No, sir; just one man.

Mr. McCULLOCH. How do you know that he was Bates & Rogers' foreman?

Mr. GRAHAM. Well, he claimed he was; that is all I could go by.

Mr. McCULLOCH. He told you he was working for Bates & Rogers?

Mr. GRAHAM. He had a button the same as the rest of them.

Mr. McCULLOCH. Bates & Rogers' button?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. So you were satisfied that he was a foreman and that he was calling you down for working too fast?

Mr. GRAHAM. Yes, sir; on one occasion.

Mr. McCULLOCH. And you think he did that seriously?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Was it your own foreman?

Mr. GRAHAM. At that time; at that one time, not all the time; I was under different foremen.

Mr. McCULLOCH. Can you give us his name? What was his nickname?

Mr. GRAHAM. They called him Jack.

Mr. McCULLOCH. What do you say from your experience in handling horses that the cost of feeding a team was; what would it have been a day?

Mr. GRAHAM. Well, I think at that time, a team, around 6 quarts of oats, worth 50 or 60 cents.

Mr. McCULLOCH. At that time?

Mr. GRAHAM. Yes; around a half dollar.

Mr. McCULLOCH. Six quarts of oats?

Mr. GRAHAM. At a feed.

Mr. McCULLOCH. At 50 cents a feed; \$1.50 a day?

Mr. GRAHAM. A team; it would be about \$2 for a team.

Mr. McCULLOCH. About \$2 for feeding a team?

Mr. GRAHAM. Yes, sir.

Mr. McCULLOCH. Do you mean that that would be the cost to you if you bought the feed in the open market, or if you used feed that you raised on the farm?

Mr. GRAHAM. Well, I figure my feed was worth as much as the other man's feed that I bought.

Mr. McCULLOCH. That is a pretty fair conclusion. In other words, if you have a bushel of oats that you raise on your farm and you go to the market to buy you might have to sell for less than you could buy it for?

Mr. GRAHAM. Sometimes.

Mr. McCULLOUGH. What would the difference be?

Mr. GRAHAM. It would be approximately the same.

Mr. McCULLOCH. So you made the statement that it would cost approximately \$2 a day?

Mr. GRAHAM. Yes, sir.

Mr. McKENZIE. Do you know what they charged at this corral for feeding a team?

Mr. GRAHAM. I don't know; I never fed a team there; I couldn't say.



Mr. McKENZIE. They just got your name mixed up with some other name?

Mr. GRAHAM. No, sir; it was for cleaning the stable and feeding in the stable; it was not furnishing the feed, this wasn't.

Mr. McKENZIE. That is all.

**TESTIMONY OF HERBERT G. BRANNEN, MAJOR, QUARTERMASTER CORPS, UNITED STATES ARMY.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. What is your name?

Maj. BRANNEN. Herbert G. Brannen.

Mr. McCULLOCH. You are a major in the United States Army?

Maj. BRANNEN. Yes, sir; Quartermaster Corps.

Mr. McCULLOCH. In the regular establishment?

Maj. BRANNEN. No, sir.

Mr. McCULLOCH. You are now assigned to Camp Grant?

Maj. BRANNEN. Yes, sir.

Mr. McCULLOCH. How long have you been there, Major?

Maj. BRANNEN. Since the 6th of January, 1918.

Mr. McCULLOCH. Sixth of January, 1918?

Maj. BRANNEN. About 23 months.

Mr. McCULLOCH. I wish you would tell the committee now about the elevator collapsing out there, and what occurred?

Maj. BRANNEN. I think it was during the month of August, late in the evening I got a call that the elevator was failing. I took men down there and found that the oats were running out on the ground. Now, the elevator is two wooden tubes resting on a concrete base; this base is high and there are two runways and two tubes. One tube failed about 14 feet from the concrete base.

Mr. McCULLOCH. By failed, what do you mean, burst out?

Maj. BRANNEN. Yes, sir.

Mr. McCULLOCH. Spread; fell down?

Maj. BRANNEN. No, sir.

Mr. McCULLOCH. Just opened up?

Maj. BRANNEN. Just opened up and the oats ran out. I had to put bulkheads in and run the oats in the runways and run a string of cars in there and empty it.

Mr. McCULLOCH. Why did you do that?

Maj. BRANNEN. Because I was afraid the whole thing would fall down.

Mr. McCULLOCH. You did not regard it as safe?

Maj. BRANNEN. No, sir; in fact I spent a very nervous evening until I got all my men out.

Mr. McCULLOCH. It was in that bad condition?

Maj. BRANNEN. I had to put men in the runways to shovel back, and I was afraid it would collapse while they were there.

Mr. McCULLOCH. If it had collapsed there might have been some casualties?

Maj. BRANNEN. Yes; there sure would have been.

We had one tube, which was clear full and the other 75 per cent full when it failed.

Mr. McCULLOCH. Have you any idea why that elevator failed?

**Maj. BRANNEN.** Well, there was a great deal of controversy before and after the failure. I had two practical elevator men there operating it, and both of them claimed that the design was faulty. There was no question about the workmanship; the workmanship was all right, but they complained that the design was faulty, and there were some modifications made. The equipment was changed; they were practical elevator men, and did not care to operate the elevator with the equipment that was furnished. This elevator was put up by the Beckstrom Co., and after the failure I called upon the constructing quartermaster, and he put hoops on the tubes and pulled them back into place. In fact, there was only one of them that failed, and he pulled this tube back into place.

**Mr. McCULLOCH.** Was this elevator—its design and all that sort of thing—a subject of controversy around there?

**Maj. BRANNEN.** Yes; there was some. There was a young engineer—

**Mr. McCULLOCH** (interposing). What is his name?

**Maj. BRANNEN.** Capt. Fox was the inspector on the elevator; he always contended that it was safe.

**Mr. McCULLOCH.** Was there anyone else made any different contention?

**Maj. BRANNEN.** Well, of course, I was going more on the information given me by the elevator men.

**Mr. McCULLOCH.** That is, the practical men who were operating it?

**Maj. BRANNEN.** Yes; who were operating it.

**Mr. McCULLOCH.** What was that information?

**Maj. BRANNEN.** They said they didn't think it was safe; they didn't think it would stand up.

**Mr. McCULLOCH.** And finally it was proven to be unsafe; is that right?

**Maj. BRANNEN.** Yes. That may be due, however, to the fact that the hoops were not put on when they loaded it. According to the plan as I seen it and as I understand it now, the hoops would have gone on at the strongest part of the tube. The ribbing on the inside was made out of 2-inch stuff, one piece laid on top of the other until they got up to a height of about 14 feet, and they would jump to a 6-inch center, and from there up to an 8-inch center. These steel or iron hoops they put on would have come on the outside of the first 14 feet, and the failure was just above 14 feet, where it had been reinforced. The constructing quartermaster, in reinforcing that, spread those hoops out at its weakest place, and we have had no difficulty since. In fact, he pulled that tube in.

**Mr. McCULLOCH.** Pulled it in and repaired it; is that it?

**Maj. BRANNEN.** Yes, sir.

**Mr. MCKENZIE.** By whom was this elevator constructed, if you know?

**Maj. BRANNEN.** It was built by the Beckstrom Co.

**Mr. MCKENZIE.** Who furnished the plans?

**Maj. BRANNEN.** The plan was furnished by Washington.

**Mr. MCKENZIE.** You say so far as the workmanship was concerned, it was all right?

**Maj. BRANNEN.** The workmanship was all right.

**Mr. MCKENZIE.** The fault was in the plan?

Maj. BRANNEN. Yes; in fact, the officer contended that it was the best piece of work in the camp.

Mr. McCULLOCH. It has been suggested by Col. Cooper that I ask you the following: Does this grain elevator have hoops on it now? I understand it does.

Maj. BRANNEN. Yes, sir.

Mr. McCULLOCH. Had the hoops been put on at the time the grain was put in the elevator?

Maj. BRANNEN. No, sir.

Mr. McCULLOCH. Now, who put the hoops on?

Maj. BRANNEN. They were put on by the Ericsson Co.

Mr. McCULLOCH. Did the plans call for hoops?

Maj. BRANNEN. As I remember the plans they do.

Mr. McCULLOCH. Did you put grain in the elevator before the hoops were placed on?

Maj. BRANNEN. Yes, sir.

Mr. McCULLOCH. And endeavor to save demurrage charges?

Maj. BRANNEN. Yes, sir.

Mr. McCULLOCH. That was your idea.

Maj. BRANNEN. Yes, sir; we had the grain and wanted to save demurrage charges.

Mr. McCULLOCH. The elevator was not completed?

Maj. BRANNEN. Of course, we did not know at the time the elevator was not completed. The Beckstrom people had the contract for completing the elevator and they were off the job.

Mr. McCULLOCH. And you thought it was finished?

Maj. BRANNEN. I did not know until the failure that there were any hoops to go on it.

Mr. McCULLOCH. Where were the hoops, do you know?

Maj. BRANNEN. I don't know; as a matter of fact, we had—

Mr. McCULLOCH (interposing). Do you know who they were to be furnished by?

Maj. BRANNEN. Well, the construction quartermaster furnished them; they were under his supervision.

Mr. McCULLOCH. They were not on the job at the time?

Maj. BRANNEN. They may have been on the premises; I don't think they were in the immediate vicinity of the elevator.

Mr. McCULLOCH. And you say the carpenter contract work was satisfactory on that job?

Maj. BRANNEN. Yes, sir.

Mr. McCULLOCH. You don't know whether the hoops were there and were not put on or whether they had not arrived and were not put on, do you?

Maj. BRANNEN. I don't know. I know they were not on at the time of the failure.

Mr. McCULLOCH. I think that is all.

'In connection with the testimony of Maj. Brannen I want to insert in the record certain letters taken from the files of the War Department, showing that the situation as to the failure of elevators that has been described by the major here was general throughout the country. I would like to have these letters inserted at this point in the record.

(The letters referred to are as follows:)

APRIL 18, 1918.

To: Constructing Quartermaster, Camp Custer, Mich.

From: Officer in Charge of Construction Division, Washington, D. C.

Subject: Grain Elevator.

1. The plans for the grain elevator show  $\frac{1}{4}$ -inch steel hoops from the bottom of the bins to a point 14 feet above the base, or slightly less than one-third of the height. For the 36 feet from there up the resistance to the internal pressure is supplied by the 2 inch by 8 inch girts on 12-inch centers lapped at joints and spiked with 10-20 penny spikes. This design would appear to leave the central section of the bins without sufficient strength if the bin is filled to the top with grain.

2. I have directed the contractor to proceed with the construction of the grain elevator as shown on plans, but I recommend extending the steel hoops for the full height of the next 18-foot section, increasing the space between the hoops gradually toward the top.

3. I am inclosing herewith stress diagram of hoops. This shows a lesser number of rods in the first 14 feet, but carries the hoops up to a point about 15 feet below the top. It might not be necessary to carry them up quite as far as the diagram shows. The upper series are somewhat stronger than necessary and thinner rods could be used on the section. Refer to plans "Oats storage elevator," sheets No. 98 and No. 98A, November, 1917.

4. The appropriation for the grain elevator may be exceeded, and certainly will be exceeded if the additional rods are authorized.

T. A. LEISEN,

*Major, Quartermaster Reserve Corps, Constructing Quartermaster.*

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[First indorsement.]

WAR DEPARTMENT, CONSTRUCTION DIVISION,

May 8, 1918.

To the CONSTRUCTING QUARTERMASTER,

*Camp Custer, Mich.*

1. Returned.

2. The weight of oats varies from 28 to 32 pounds per cubic foot, and not 50 pounds, as used by you in your stress sheet, therefore the reinforcement is not required. The allotment for the grain elevator must not be exceeded.

By authority of the Secretary of War:

R. C. MARSHALL, Jr.,

*Colonel, Quartermaster Corps, National Army,  
In charge of Construction Division.*

By W. G. SLOAN,

*Major, Engineer Reserve Corps.*

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CAMP SHERMAN,

*Chillicothe, Ohio, June 1, 1919.*

From: Camp Quartermaster, Utilities Division.

To: Construction Division of the Army, Washington, D. C.

Subject: Repairs to grain elevator.

1. An allotment of \$1,591.68 "B. & Q." is requested for repairs to the grain elevator at this camp.

2. During the early part of May the south bin of this elevator was loaded to within 12 feet of the top. On May 10, a bulge occurred on the side of this bin, allowing the grain to escape from the elevator. It was necessary to take immediate action to reinforce these bins, as there was danger, not only of the collapse of the elevator but also loss of grain stored.

3. It was necessary to rush work as rapidly as possible, in order to properly take care of large shipments of oats being received and prevent demurrage charges.

4. The work of reinforcing has been completed, and the elevator is again in operation.

5. Attached is an itemized statement of cost of repairs necessary.

F. L. CASE,

*Lieutenant Colonel, Quartermaster Corps.*

By E. GARCIA,

*Captain, Quartermaster Reserve Corps.*

CAMP CUSTER, MICH., July 24, 1918.

CONSTRUCTION DIVISION, OFFICE OF QUARTERMASTER GENERAL,  
Washington, D. C.

Sides of elevator recently constructed this camp are beginning to bulge, with a load of 48,000 bushels. Some action on the request of the constructing quartermaster at this camp for strengthening this elevator must be taken immediately.

GUNSTER, Quartermaster.

OCTOBER 24, 1918.

From: Fuel and Forage Division, Potomac Park.  
To: Construction Division, maintenance and repair branch.  
Subject: Repair of elevator at Camp Dodge.

1. A telegram has been received to the effect that the grain elevator at Camp Dodge is bulging.

2. It is urgently requested that immediate action be taken to repair this elevator.

3. About half of the elevators now constructed at the camps have been reported in the past as breaking down, and recommendation was made some months ago that a careful inspection of all elevators be made by the maintenance and repair branch, but this office has no advice of action taken.

4. It is again urgently requested that all elevators be given a careful inspection and strengthened and repaired where needed. It is apparent that these elevators are not strong enough to hold oats to their capacity, as when they are about half full they begin to bulge.

GEO. E. WARREN,  
Colonel, Quartermaster Corps, Director Fuel and Forage Division.  
By J. A. BUSHFIELD,  
Captain, Quartermaster Corps.

OCTOBER 25, 1918.

From: Officer in Charge of Utilities, Camp Dodge, Iowa.  
To: War Department, Construction Division, maintenance and repair branch,  
Washington, D. C.  
Subject: Grain elevator, Camp Dodge.

1. The object of this letter is to bring to the attention of the maintenance and repair branch the very poor construction and poor condition of the grain elevator at the remount station, this camp.

2. Approximately two months ago this department was called upon to reinforce this grain elevator with eight 1-inch steel tie rods. There were eight rods installed—four in each elevator, and at proper distances apart and above the present steel hooping. This work was done to reinforce and prevent bulging of the elevator when same was filled with grain. Had this work not been done the elevator would have been out of service long before this time. This structure now shows bulging in several places. In fact, between the present top iron hoop and top tie rod, there is a bulge of from 4 to 8 inches in several places on west half of elevator.

3. To the writer's notion there should be a continuation of iron hoops fitted with seven-eighths-inch turnbuckles—to be same as present construction—and not over 8 inches apart for two-thirds of the entire height instead of approximately one-third of the height which is the construction at the present time.

4. Steps have been taken to empty the elevator and save same from total destruction, and to the writer's notion it is not deemed advisable to refill with oats until steps have been taken to make this structure of a more permanent nature. It is only a question of a very short time until elevator will be a total loss should the subdepot quartermaster continue as in the past few weeks of filling within 3 or 4 feet of the top.

5. This is an urgent matter and the writer requests that immediate steps be taken to remedy the faults which now exist in the construction of this elevator.

ROY W. JOHNSON,  
Major, Quartermaster Corps.

NOVEMBER 9, 1918.

From: Intelligence officer, Camp Jackson, S. C.  
To: Director of military intelligence.  
Subject: Grain elevators at Camp Jackson, S. C.

1. Reference is had to your inquiry concerning the alleged faulty construction of grain elevators at this camp. Investigation of the 16-sided twin grain elevators at Camp Jackson reveals that the elevators were built according to the specifications, but the specifications in at least one instance appear to be at fault. cf. paragraph, 3, ff.

2. Capt. Phillips, forage inspector from Washington, made the statement that he found elevators of like construction had bulged when they were filled. He issued orders that the elevators at this camp be reinforced with additional steel bands before they were filled to capacity. There are two possibilities for the causes of the bulges of elevators built on the plan of those at this camp. One of them is that poor workmanship and poor materials may have been used. However, such does not appear to be the case in this instance. The workmanship is of the best and the materials are of good quality. The second possibility for the trouble is that the design may not be right. In our estimation this is more than likely the case.

3. The specific instance of the possibility of faulty design lies in the manner in which the plans prescribe the placing of steel bands around each structure. The whole grain-holding structure is 50 feet high. For the first 7 feet from the base of the grain-holding compartment, steel bands of seven-eighths inch diameter were supposed to have been placed at intervals of 4 inches from center to center. On the second 7 feet from the base of the grain-holding structure the same size steel bands were supposed to have been placed at intervals of 6 inches from center to center. From there on up to the top the design called for no more steel.

4. In the actual construction the bands were placed at intervals of 7 inches from center to center for the first 14 feet. From there on up to the top no more steel bands are used. Thus 14 feet of the 50-foot structure is heavily steel banded while the remaining 35 feet has no steel support.

5. As to this construction there is a wide variation of opinion among grain-elevator experts. Elevator-design formulas used admit that the parabola of bursting force in an elevator is  $H-3$ —that is, the maximum bursting component will be exerted at a point one-third of the way from the bottom of the structure. In the case of this structure that maximum strain would be placed  $2\frac{1}{3}$  feet above the location of the topmost steel band if the elevator were full. From this point the load would diminish toward the top in proportion to the sides of a parabola.

6. It is obvious that there would be an immediate strain below this point and that there would be almost as great a strain for a considerable distance above this point. Hence it would have been a far safer design to have allowed steel at wider intervals above this point. The inside timber construction is built with the view of holding the load, but many engineers question the advisability of trusting the entire responsibility to timber.

7. At present the elevators at Camp Jackson are being strengthened by placing eight  $\frac{1}{4}$ -inch rods through each structure. Four of these rods are placed in an east and west direction, and the other four cross them in a north and south direction. The ends of the rods are held by four by fours on the outside of the building. This system of strengthening is designed only as emergency relief. As soon as steel can be procured from Chicago, the outside hoops will be carried above the 14-foot height where they stop at the present.

8. Until this steel work has been carried out it is not deemed advisable to fill the elevator above the 35-foot level.

C. W. LONG,  
*Captain, Field Artillery, United States Army,*  
*Intelligence Officer.*

#### TESTIMONY OF MR. E. J. WESSEN.

(The witness was duly sworn by Mr. McKenzie.)  
Mr. McCULLOCH. Your name is E. J. Wessen?  
Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. You have been employed by the Subcommittee on Expenditures in War Department, Subcommittee No. 2, as an investigator?

Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. It is a part of your duties to make a search of the files of the War Department?

Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. And an examination of the records and accounts for the purpose of furnishing to the committee information?

Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. In regard to the construction and the cost of camps and cantonments?

Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. And you have for a considerable number of months been engaged in that work, is that correct?

Mr. WESSEN. I have.

Mr. McCULLOCH. Were you in the Army?

Mr. WESSEN. Yes, sir; I was.

Mr. McCULLOCH. Will you just state briefly your Army service?

Mr. WESSEN. I was in the Army for a number of years, but left the Army in 1913, and returned as a captain in the Signal Corps in May, 1917. I was for two years in the office of the Chief Signal Officer, among other duties, in charge of the statistical division in that office, charged with compiling statistics pertaining to the personnel, matériel, and finance, and engaged at various times on audits pertaining particularly to contractors.

Mr. McCULLOCH. Was your experience such as to qualify you to assemble tables?

Mr. WESSEN. It was; yes, sir.

Mr. McCULLOCH. Examine records and take from them information indicating the cost of work?

Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. And the various elements that entered into the cost?

Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. And assembling the tables and arriving at the sum total costs?

Mr. WESSEN. Yes, sir.

Mr. McCULLOCH. Have you prepared a summary of the cost of Camp Grant under the various contracts that were let by the Government for the construction of that camp?

Mr. WESSEN. I caused such a summary to be prepared under my supervision, the figures being taken from the Construction Department of the War Department.

Mr. McCULLOCH. Now, have you compared those figures and verified the tables?

Mr. WESSEN. The figures have been compared and verified by Mr. W. R. Reese and myself.

Mr. McCULLOCH. Will you submit that summary?

(The witness thereupon produced the summary which was marked for identification "E. J. W., No. 1.")

Mr. McCULLOCH. Will you examine the summary and make a general statement of what it contains and what the amounts are?

Mr. WESSEN. The summary contains the names of the contractors and subcontractors engaged in the construction of Camp Grant; the dates of the various contracts, the nature of the work, the total cost, exclusive of fee on general contracts, the total cost, exclusive of fee on subcontracts, fee earned on general contracts, and fee earned on subcontracts; also the distribution of fees among the various contractors engaged in the work of the camp.

Mr. McCULLOCH. I think you had better read the tables off.

Mr. WESSEN. The report shows that Bates & Rogers Co. had two contracts, one dated June 21, 1917, for the construction of the cantonment; another dated July 19, 1917, for the construction of roads. The total cost of this work, exclusive of fee, was \$6,547,991.64.

Mr. McCULLOCH. That is, cost to whom?

Mr. WESSEN. Cost to the Government.

Mr. McCULLOCH. Cost to the Government?

Mr. WESSEN. Cost to the Government. Paid to the general contractor, exclusive of fee, \$6,547,991.64. The fee earned by the general contractor was—

Mr. McCULLOCH (interposing). Was it earned, or paid; fee paid, is that it?

Mr. WESSEN. I believe "earned" is proper there.

Mr. McCULLOCH. Well, it was paid; that is the amount that was paid. I want to get that clear, that it was the amount that was paid to him.

Mr. WESSEN. "Paid and earned" would be proper.

Mr. McCULLOCH. All right.

Mr. WESSEN. Fee paid and earned to the general contractor, \$260,283.86.

Bates & Rogers had one subcontractor, Kehm Bros.; date of contract, August 15, 1917; the work was plumbing and electrical work; the total cost, exclusive of fee on this subcontract was, \$1,100,980.15.

Mr. McCULLOCH. On the subcontract?

Mr. WESSEN. On the subcontract. The fee paid and earned on that subcontract was \$75,484.17. Under this contract there were governmental expenditures upon which no fee was earned of \$634,599.35.

The next general contract was R. P. Beckstrom Co., under date of November 1, 1917, for alterations, additions, and repairs. The total cost of this contract, exclusive of fee, was \$334,718.10. The fee paid and earned on this general contract was \$15,000. In addition to that, there were direct governmental expenditures on which no fee was paid, of \$907.74.

The next general contract was Henry Ericsson Co., under date of February 20, 1918, for additions to hospitals. The total cost, exclusive of fee, on this general contract was \$576,725.73. The fee paid and earned was \$37,192.08. This company had two subcontractors on this contract. The first is M. J. Corby Co., the contract was awarded to the subcontractor on March 14, 1918, and the records show that this contract was awarded for plumbing. The total cost of this subcontract, exclusive of fee, was \$40,037.88; the fee earned and paid on this subcontract was \$2,797.45. The next subcontract was awarded to Kehm Bros. Co., dated March 14, 1918, and the records show that it was awarded for the installation of steam heating; the total cost on this subcontract, exclusive of fee, was \$68,893.76; the fee earned and paid on this subcontract was \$4,817.73.



On this Henry Ericsson general contract there were direct governmental expenditures on which no fee was paid, of \$32,935.17.

There was another general contract awarded to the Henry Ericsson Co., on September 6, 1918, for the enlargement of the camp. The total cost, exclusive of fee, on this general contract was \$1,933,440.21; the fee earned and paid on this general contract was \$107,231.59. On this general contract the Ericsson Co. had five subcontractors. The first one, the Zander Reum Co., contract dated October 21, 1918, the records show that it was awarded for plastering and lathing: the total cost, exclusive of fee, on this subcontract was \$18,070.96; the fee earned and paid on this subcontract was \$1,264. The next subcontract was awarded to the M. J. Corby Co., on October 31, 1918, and the records show that it was awarded for plumbing: the total cost, exclusive of fee, on this subcontract was \$186,341.81; the fee earned and paid on this subcontract was \$12,309.65. The next subcontract was awarded to the Henry Newgard Co., on November 1, 1918, and the records show that it was awarded for the electrical work; the total cost, exclusive of fee on this contract, was \$88,788.86; the fee earned and paid on this subcontract was \$6,161.01. The next subcontract awarded to Kenseley Bros., on November 1, 1918, and the records show that it was for road work; the total cost, exclusive of fee, on this subcontract was \$29,436.93; the fee earned and paid on this subcontract was \$2,054.82. The fifth subcontract was awarded on November 1, 1918, to the Kehm Bros. Co., for steam heating; the total cost, exclusive of fee on this subcontract was \$118,455.98; the fee earned and paid on this subcontract was \$7,000. In addition to that, on this second Henry Ericsson contract there were direct governmental expenditures upon which no fee was earned nor paid of \$607,429.15.

The totals are as follows: The total cost, exclusive of fee, on general contracts, \$10,061,317.94; the total cost on subcontracts, exclusive of fee, \$2,258,375.48; the total fees earned by general contractors were \$419,707.53; the total fees earned by subcontractors was \$111,888.83.

The fees were distributed as follows: For camp construction, \$260,283.86; for the enlargement of camp, \$107,231.59; for alterations, additions, and repairs, \$15,000; for additions to hospitals, \$37,192.05. Those fees were on the general contracts.

The distribution of fees on subcontracts follows: For plumbing and electrical work and steam heating work, \$108,570.01; plastering and lathing, \$1,264; for roads, \$2,054.82. Total fees paid to both exclusive of fee, \$10,061,317.94. Total of subcontracts, exclusive of fee, \$2,258,375.48. Total cost of camp, \$12,851,289.78.

This grand total does not include freight charges paid on materials used by the contractors at the camp; this will run the total cost of the camp well over \$13,000,000.

Mr. McCULLOCH. Have you made some estimate of the freight on lumber to that camp?

Mr. WESSEN. I have; yes, sir.

Mr. McCULLOCH. Will you give the committee the benefit of your estimate and upon what it is based?

Mr. WESSEN. Based on the average freight on lumber to Camp Grant, about \$4 per 1,000 board feet, on 50,000,000 feet, would equal \$200,000.

Mr. McCULLOCH. When you say on that sum total of the amount used out there, do you include the waste out there; in the 50,000,000 feet?

Mr. WESSEN. Waste of lumber?

Mr. McCULLOCH. The waste of lumber.

Mr. WESSEN. I do not.

Mr. McCULLOCH. Or on the 10,000,000 left out there?

Mr. WESSEN. That is not included; including that and the engineers' fees, a very conservative estimate of the total cost of the camp would be over thirteen and one-half million.

Mr. McCULLOCH. How about the engineering?

Mr. WESSEN. There was one other item of five contracts for engineering, approximately slightly over \$15,000, that was not included in the figures obtained from the Construction Division at Washington; apparently not on record.

Mr. McCULLOCH. The figures secured in Washington——

Mr. WESSEN (interposing). Yes; the figures secured in Washington.

Mr. McCULLOCH (continuing). Did not include that item?

Mr. WESSEN. They did not.

Mr. McCULLOCH. So that that item is not in this total?

Mr. WESSEN. That item is not in this total.

Mr. McCULLOCH. There is no freight in this total?

Mr. WESSEN. No freight.

Mr. McCULLOCH. And that, of course, would be freight on lumber and other materials?

Mr. WESSEN. Lumber and other materials, and in some cases express charges.

Mr. McCULLOCH. What do you say as to whether or not the express charges would be very high?

Mr. WESSEN. The express charges would be very high, as for instance, I was shown a large engine, weighing 300 tons, expressed to Camp Sherman from Detroit, and I understand they received a large amount of materials required in a hurry at these camps by express.

Mr. McCULLOCH. Which would make the item a rather large one?

Mr. WESSEN. Very large?

Mr. McKENZIE. Would your statement include freight on contractors' equipment?

Mr. WESSEN. My statement does include freight on contractors' equipment?

Mr. McKENZIE. How final is the statement that you have put into the record?

Mr. WESSEN. The statement is complete to date; of course, it is subject to change by the audit accounts by the Auditor for the War Department; it may run considerably in excess of the totals given, or it may run less.

Mr. McKENZIE. How could it run less; by expenditures that are not warranted and repayment back, or how?

Mr. WESSEN. It could run less by expenditures not warranted and by reimbursement.

Mr. McKENZIE. Expenditures not authorized by law?

Mr. WESSEN. Expenditures not authorized by law.

Mr. McKENZIE. And where there are reimbursements?

Mr. WESSEN. Reimbursements or recoveries would be made.

Mr. McKENZIE. Where recoveries would be made?

Mr. WESSEN. Yes, sir.

Mr. McKENZIE. Have you made an examination of the records of the Council of National Defense?

Mr. WESSEN. I have examined in a general way the records of the Council of National Defense, but have examined very closely the records of the Construction Committee of the Council of National Defense.

Mr. McKENZIE. What do you find in those records, if anything, in regard to the Beckstrom Co.?

Mr. WESSEN. The files in the Construction Division are filed by camp and contractor, a jacket made, and all materials pertaining to that particular contractor is supposed to go to that jacket. I find in the jacket of Ross P. Beckstrom Co., that the record is incomplete and very fragmentary, as instanced by a number of letters requiring answers of more or less importance to our investigation, the answers not being found in the jacket, or vice versa, answers to letters, copies of which do not appear in the jacket.

Mr. McKENZIE. Through whom do you go to get these records?

Mr. WESSEN. Mr. Clarkson of the Council of National Defense.

Mr. McKENZIE. And what officer did you work with there?

Mr. WESSEN. In the case of the Construction Division, Col. Cooper. and Col. Wright, and in the case of the Construction Committee, Mr. Clarkson.

Mr. McKENZIE. The summary submitted by the witness, E. J. Wessen, may here be inserted in the record.

(The summary referred to is as follows:)

[E. J. W., No. 1.]

*Camp Grant (Rockford, Ill.) National Army Camp.*

Contractor and subcontractor.	Date of contract.	Nature of work.	Total cost, exclusive of fee, general contract.	Total cost, exclusive of fee, subcontract.	Fee earned, general contract.	Fee earned, subcontract.
Bates & Rogers.....	June 21, 1917	Cantonment,	\$86,547,991.64		\$260,283.86	
Kehm Bros.....	July 19, 1917	road facilities.				
	Aug. 15, 1917	Plumbing and electric.		\$1,100,980.15		\$75,644.17
Government expenditure.			634,599.35			
R. P. Beckstrom Co.	Nov. 1, 1917	Alterations, additions, and repairs.	334,718.10		15,000.00	
Government expenditure.			907.74			
Henry Ericsson Co.	Feb. 20, 1918	Additions to hospitals.	576,725.73		37,192.08	
M. J. Corby Co.....	Mar. 14, 1918	Plumbing.....		40,037.88		2,795.65
Kehm Bros. Co.....	do.....	Steam heating.....		68,863.76		4,417.71
Government expenditure.			32,935.17			
Henry Ericsson Co.	Sept. 6, 1918	Enlargement of camp.	1,933,440.21		107,231.39	
Zander Reum Co.....	Oct. 21, 1918	Plastering and lathing.		18,070.96		1,264.66
M. J. Corby Co.....	Oct. 31, 1918	Plumbing.....		196,341.81		12,390.46
Henry Newgard Co.	Nov. 1, 1918	Electrical.....		84,788.86		6,161.71
Kenseley Bros.....	do.....	Roads.....		29,436.93		2,054.42
Kehm Bros. Co.....	Nov. 6, 1918	Steam heat.....		118,453.98		7,609.66
Government expenditure.				607,429.15		
Total.....			10,061,317.94	2,256,375.48	619,707.53	111,888.90

## DISTRIBUTION OF FEES.

General contractors:		
Cantonment construction.....	\$280,283.86	
Enlargement of camp.....	107,231.59	
Alterations, additions, and repairs.....	15,000.00	
Additions to hospitals.....	37,192.08	
		\$419,707.53
Subcontractor:		
Plumbing, electrical work, and steam heat.....	108,570.01	
Plastering and lathing.....	1,284.00	
Roads.....	2,054.82	
		111,888.83
Total, all fees.....		531,596.36
Total, general contract, exclusive of fee.....		10,061,317.94
Total, subcontract, exclusive of fee.....		2,288,375.48
Total, all cost.....		12,851,289.78

**TESTIMONY OF MR. J. P. O'CONNOR, 822 SEWARD STREET,  
EVANSTON, ILL.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. What is your name?

Mr. O'CONNOR. J. P. O'Connor.

Mr. McKENZIE. Where do you live, Mr. O'Connor.

Mr. O'CONNOR. 822 Seward Street, Evanston, Ill.

Mr. McKENZIE. What is your business?

Mr. O'CONNOR. General contractor.

Mr. McKENZIE. How long have you been in the contracting business; when did you begin?

Mr. O'CONNOR. For myself I have been in the business since 1903; 16 years.

Mr. McKENZIE. I wish you would state for the benefit of the record your experience as a contractor, giving us examples of the character of work that you have done, and quite a number of instances, including small contracts and large ones, if you have had such experience.

Mr. O'CONNOR. Well, I built the Eighth Regiment Armory for the States of Illinois.

Mr. McKENZIE. Where is that located?

Mr. O'CONNOR. At Thirty-sixth and Forrest Avenue, Chicago. I built the Seventh Regiment Armory for the State of Illinois, at Thirty-fourth Street and Wentworth Avenue, Chicago. I built the Wabash freight building, approximately Taylor to Polk Streets, Chicago; I built that in the winter.

Mr. McKENZIE. How large a building is that?

Mr. O'CONNOR. Two and one stories. I built the Mentor Building, corner of Monroe and State Streets, Chicago, 21 stories high.

I built the tuberculosis hospital in the old Cook County grounds for Cook County; that was about five stories, I think. I had two large reinforced concrete buildings in the central manufacturing district. I built a building near the Brooks and Milwaukee Avenue and North Avenue, 150 by 250, an ordinary type building, terra cotta front, three stories high. And then about six or seven years ago I put up 22 buildings on the Fox River outside of Algonquin for the United Charities; those were buildings of various sizes; frame buildings, no finish. I built three or four automobile buildings, including what is now the Cadillac Building, at Twenty-eighth and Michigan Avenue, and a building which is now occupied by the Hudson people. And at various times since I began business I have built seven or

eight buildings for the Bauer & Black people, Twenty-fifth and Dearborn Streets; they would run all the way from \$75,000 to \$200,000.

Mr. McKENZIE. You are actively engaged in contracting and building at the present time, are you?

Mr. O'CONNOR. Oh, yes.

Mr. McKENZIE. I wish you would tell us something of your experience that would enable us to judge of your capacity in regard to estimating the cost of any certain character of construction, particularly the construction such as we have at Camp Grant; what your qualifications are; whether you have had experience in that sort of work.

Mr. O'CONNOR. Well, before I went in business for myself I worked for approximately eight years for the George A. Fuller Co.; I was estimating more or less all the time and keeping tally on costs, and for the first five years or six years after I began business I did all my own estimating, As we grew to do other work, of course, I had estimators in the office, but I always supervised the cost price before it went out in a bid, which I do at the present time.

Mr. McKENZIE. So you have had practical experience along those lines?

Mr. O'CONNOR. I think so.

Mr. McKENZIE. I want to ask you, Mr. O'Connor, whether or not you are here at my request as chairman of subcommittee No. 2, and whether or not you have been employed by subcommittee No. 2 of the general committee investigating expenditures in the War Department to make a survey and estimate of Camp Grant?

Mr. O'CONNOR. Yes, sir; that is why I am here and what I am here for.

Mr. McKENZIE. Did you make such survey and estimate?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. When did you begin that work, about?

Mr. O'CONNOR. About seven weeks ago, I should say.

Mr. McKENZIE. And you worked on it with your force until you had it completed, is that correct?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. Do you know how I came to employ you to do this work, if you know, by whom you were recommended?

Mr. O'CONNOR. I think that I was recommended by Congressman Madden.

Mr. McKENZIE. Well, you are right about that. How long have you known Congressman Madden?

Mr. O'CONNOR. In a general way for 8 or 10 years.

Mr. McKENZIE. As a matter of fact you made no effort to get the position you now hold under this committee?

Mr. O'CONNOR. Not at all; in fact, it took some days before I could decide whether I could give the time to it or not.

Mr. McKENZIE. Have you with you your prepared estimates and reports of the survey?

Mr. O'CONNOR. Yes, sir; I have.

Mr. McKENZIE. How did you go about preparing them; just state that fully, if you will.

Mr. O'CONNOR. Well, I started in with one estimator, and we came to Camp Grant, using a 400 foot scale, I think it was, plat plan, and we began at one end of the plan on the buildings actually on the

camp to see whether they would check up with this plat plan, and which I find they did. We spent 4 or 5 days at the camp checking up these various buildings, and then determining what percentage of the buildings were not completed, in our own judgment deciding what per cent was not completed.

Mr. McKENZIE. I will ask you if this is the plat of the camp of which you worked [showing the witness a large blue-print plat]?

Mr. O'CONNOR. That is the plan.

(The blue-print plan referred to was thereupon marked JDO'C No. 1 for identification.)

Mr. McKENZIE. Now, you may proceed.

Mr. O'CONNOR. We then secured what plans and details we could from Gen. Bell at the camp and the utilities department, together with such plans as were sent to us from Washington, and then I secured the services of four or five estimators and began figuring over the plans in the office. Of course, we went about it in the ordinary way, the same as we do to figure any other job, taking off all the different materials in our books and finding costs of that material, in this going back to the time when the material was acquired and used, and then figuring up our labor on the basis that was paid at this time.

Mr. McKENZIE. In other words, you figured that as though you were going to bid on the contract, is that the idea?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. After you had done that preliminary work—and not so preliminary either—but laid the foundation, how did you estimate, for instance, the wage cost; tell us how you did that and what basis you took for computation?

Mr. O'CONNOR. Well, can I qualify on that answer, Congressman?

Mr. McKENZIE. Yes; I wish you would tell it in your own way.

Mr. O'CONNOR. I would only like to say, and I think you will bear me out, when I was asked first to do this work I said I would do it not as a matter of checking up any other contractors' work but I would do it on the theory that I was going to do this work or supposition of getting it and running my chances with the supposed other contractors figuring on this work, and running my chances, figuring this contract, and I would figure it on that basis only. And then in figuring my labor for the carpenter work, knowing of the vast amount they would have to get in, pulling them from the four quarters of the globe, almost, it would take some time to weed out a good organization in your workmen, I began to figure accordingly. I figured on my lumber and on my carpenters on the basis of \$1 per hour. In other words, I figured the lumber at \$7 per thousand in place. That estimate took in not only the carpenter's labor but the nails and the placing.

Mr. McKENZIE. That is, you mean the labor in placing the lumber; not the purchasing of the lumber?

Mr. O'CONNOR. No; the placing of the lumber in position; the lumber that had been carted to the site.

Mr. McKENZIE. Now, in all your estimates in connection with this matter, labor and material, and freight, and so on, it was based on conditions existing at the time of the construction of Camp Grant, is that it?

Mr. O'CONNOR. Exactly.

Mr. McKENZIE. What year was that?

Mr. O'CONNOR. 1917.

Mr. McKENZIE. And what months did that take in?

Mr. O'CONNOR. That took in approximately—I figured from about May on—May or June.

Mr. McKENZIE. That would take in the years 1917 and 1918, covering the construction?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. Now, Mr. O'Connor, in connection with the labor did you take in consideration the overtime costs of that; the additional cost of overtime, and so on, and Sunday work?

Mr. O'CONNOR. Yes; I did that in estimating the \$1 per hour.

Mr. McKENZIE. Now, I want you to tell us what elements you figured into this, such as labor, material, and insurance, and all that: just start in and tell the committee how you arrived at this estimate and how you figured generally all those elements that entered into such a contract; you have spoken about the labor.

Mr. O'CONNOR. Well, the next large item at Camp Grant would be the lumber. I secured the prices from a lumber company in Chicago, lumber of grade such as used—well it was No. 2, delivered at Camp Grant—delivered at the switch track in Camp Grant at so much per thousand, and then added so much for hauling lumber from the cars around to the different units. In that way I arrived at my price for the lumber. Then I secured the prices on the roof, or compo board, and what little hardware was used, or metal work; and, of course, my price for what little masonry was done, cement work, I arrived at the price per cubic yard for concrete. After assembling all the different items that go to make up the finished building, I put my price down as the cost of construction. And then I put in a charge for overhead, the overhead taking in the necessary switch tracks, the liability insurance, the cost of timekeepers, bookkeepers, superintendents, and general foremen, autos, railroad fares, and miscellaneous items.

Mr. McKENZIE. Engineering; did you count that in?

Mr. O'CONNOR. Engineering; I put that in. I placed that in as an overhead. Then, with my own overhead and my own price for construction, I secured, as I do in every building that I have ever figured, I secured a price on the subcontracts, one for the steam fitting, one for the plumbing, one for the electrical wiring, and one for the roads. I got those prices from responsible and reputable firms in Chicago, men I do business with all the time. And then added the subcontracts to my own figures and added theirs and my own figures, the subcontracts, all overhead, and then I give a subtotal of my estimation what the work would cost me, and then I added a lump sum for profit, making up my total figures.

Mr. McKENZIE. Now, I want to ask you, Mr. O'Connor, whether or not the figures submitted by the subcontractors of whom you have spoken were based on conditions existing at the time that the construction was going on?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. And the prices then existing?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. Very well; you may go on and tell us, did you include in that equipment, and how did you figure on equipment?

Mr. O'CONNOR. Well, I felt this way of the equipment: Of course, in building a mere rough building of 2 by 4's and siding, and sinking cedar posts in the ground, there is no equipment much necessary; you might have a few concrete mixers, but the equipment in building Camp Grant would come mostly in the roads. The figure I got from the subcontractor for the roads came in in his estimate to me.

Mr. McKENZIE. And in his estimate he included that?

Mr. O'CONNOR. He included all that, as he always would in estimating a contract.

Mr. McKENZIE. How did he submit that; by the square yard?

Mr. O'CONNOR. When I got it, I got it in a lump sum.

Mr. McKENZIE. On the total number of yards of road?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. Now, Mr. O'Connor, I wish you would tell us, if you have it in your report, the amount you calculated would be required to take care of each one of these different items; if you have such a summary.

Mr. O'CONNOR. Now, do you wish me, Congressman, to read this recapitulation?

Mr. McKENZIE. Yes; I would like to have it read; I want to hear it. Before reading that, however, I wish you would read your letter of transmittal there.

Mr. O'CONNOR (reading):

OCTOBER 15, 1919.

Hon. JOHN C. McKENZIE,

*House of Representatives, Washington, D. C.*

DEAR SIR: I herewith turn over to you my report on the cost of construction at Camp Grant, Ill. This estimate includes cost of all labor and materials involved in the erection of all buildings; also the heating, plumbing, sewerage, electrical work, both for buildings and street lighting, water-supplying system, and the roads. The figures herein are based on the prices of labor and material prevailing at the time this work was under way, viz, the spring and summer of 1917.

In making this estimate I secured a general plat plan of the camp which I checked with the buildings actually erected on the ground. I then figured out all of the different materials and labor in each of the buildings. I next secured estimates on all of the subtraces from reliable firms, and made up the total figures absolutely on the theory that I was bidding on a proposition which I might secure by contract, and therefore allowed liberally both as to cost of general conditions and profit.

Very truly, yours,

J. P. O'CONNOR.

Mr. McKENZIE. Now, then, if you will read your summary, just proceed, Mr. O'Connor.

Mr. O'CONNOR. This is a sheet known as the recapitulation, sheets 1 to 6, inclusive, those six sheets making up the different figures.

Mr. McKENZIE. What are they, Mr. O'Connor; just state, those different sheets, what do they show?

Mr. O'CONNOR. Well, you see, in starting out, we have all the buildings here, so many barracks of different sizes and the price of the total; for instance, 43 by 140, a total of 165, and other sizes of barracks, and this is a continuation of all the different sheets; this is a recapitulation of the different sheets.

Mr. McKENZIE. Those various sheets that you have there in that report represent what we might call the plant?



Mr. O'CONNOR. Yes; every one of the buildings at Camp Grant is in the sheets.

Mr. McKENZIE. You have it itemized down to each building?

Mr. O'CONNOR. Every building in Camp Grant is on the sheets.

Mr. McKENZIE. Did you include the water supply and everything in there?

Mr. O'CONNOR. Yes, sir; everything that is there.

Mr. McKENZIE. All right.

Mr. O'CONNOR. Sheets 1 to 6, inclusive, \$4,551,890.

Mr. McKENZIE. That would not include plumbing and water?

Mr. O'CONNOR. No, sir; heating, \$1,622,165; plumbing, \$3,254, making a total of \$6,738,426. Liability and general conditions, \$235,000, making a total of \$6,973,426. Profit, 5 per cent—

Mr. McKENZIE (interposing). That represents the buildings—does it not?

Mr. O'CONNOR. Yes, sir; that is, when I have complete sheets. Profit, 5 per cent, \$348,671.30, making a total of \$7,322,097.30.

Utilities: Outside electrical work, \$194,000. The inside electrical work, the fixtures, were taken into consideration in the building—this is the outside. Roads, \$370,000; sewerage, \$450,000; water system, \$357,000; making a total of \$1,371,073. Add liability and general conditions, \$15,501, making a total of \$1,386,574; a profit of 5 per cent, \$69,328.70; making a total of \$1,455,902.70, or a grand total of \$8,778,000. Since this total was made up I understand that there was a theater building at the camp that was included in one of the contractor's prices. I had no plan of that at the time and thought perhaps it was built by some private theatrical concern, but added the price of that, approximately \$38,290, and overhead and profit, \$3,254, or a total of \$41,544, it would make my total \$8,819,544.

Mr. McKENZIE. Now, that represents your estimate of the cost of the Camp Grant built as you would have been willing to have the contract and constructed it at that time?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. And entered into bond for the construction of the same?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. Now, let me understand just what you say. The profit was you had figured there on a project of that character—true profits that you had in there?

Mr. O'CONNOR. You mean the total amount of profit?

Mr. McKENZIE. Yes; that would go to the contractor.

Mr. O'CONNOR. Well, the first was \$348,671.30.

Mr. McKENZIE. And the other?

Mr. O'CONNOR. And another was \$69,328.70; and the other was about \$1,600, it would come to on the theater building.

Mr. McKENZIE. Now, that would represent, as we have computed it here, \$419,609 and some cents as against a profit of \$531,000 under the system that was adopted by the Government and that was paid by the Government to the contractor. Now, let me total again, let me have that—the total cost of the camp, including the theater.

Mr. O'CONNOR. \$8,819,544.

ENZIE. As against a cost of \$12,851,298.78, as shown by taken from the Construction Division of the Quartermaster in the War Department and to which figures there is half million to a million dollars yet to be added. Now, do your oath, as a contractor, that this camp, in your judgment, have been constructed for the amount of money you have that there would have been a good profit, such as you left to the contractor?

NNOR. I base my judgment on this figure, Congressman, as any other building that I figured in my experience, I say, based on those figures, it could be built for this money and that I could secure a profit on those figures.

ENZIE. Which is really 5 per cent on the total?

NNOR. All the figures are based on my judgment that correct and that 5 per cent profit would go to the contractor.

ENZIE. So that if the camp actually cost, when you get the items in, \$13,500,000, you would have constructed that for the Government at a saving of \$4,680,000, approximately; how much per cent saving would that have been; would it be 50 per cent?

NNOR. I have not figured that up, Congressman?

ENZIE. Well, the figures would show, in looking at the cost, the increased cost was over 50 per cent increase to the Government. In other words, the system adopted—the results of the cost the Government 50 per cent more to construct than has been done, following your plan and your way of building the way you have estimated it, at least, in this estimate. Now I want to ask you, Mr. O'Connor; I want to know at the time you were making this estimate you had any idea of what the cost of Camp Grant had been up to that time?

NNOR. Absolutely none. I had not the slightest idea until last evening, Congressman.

ENZIE. You had never had access to any of the figures?

NNOR. I did not know whether Camp Grant cost 4,000,000 or 5,000,000; I had absolutely no knowledge at all until last night.

ENZIE. And your estimate is the estimate of a man examining a building who would be ready to take the contract and put up the building and bank his judgment and his fortunes on the state—what you have made?

NNOR. Yes, sir.

ENZIE. Now then, just a little detail has been suggested that figure did you use in basing your estimate on lumber; what price of lumber?

NNOR. My estimate for lumber was based on the average price per thousand laid down at Camp Grant.

ENZIE. \$38?

NNOR. \$38 per thousand laid down at the camp; and then the price per thousand delivered around to the units.

ENZIE. In case the Government should have furnished the materials for the construction of that camp at a fixed price such as has been given here, of about \$24 per thousand to \$27, in freight, how much would that have taken from your estimate?

Mr. O'CONNOR. Well, it would have taken the difference between 38—and what is your figure, \$26?

Mr. McKENZIE. \$24 to \$27.

Mr. O'CONNOR. Well; 38 and 27.

Mr. McKENZIE. Call it \$30 if you want to; \$30 a thousand!

Mr. O'CONNOR. Well, it is a difference of \$8 a thousand for lumber.

Mr. McKENZIE. Do you know about how many feet of lumber were used in the construction of the camp?

Mr. O'CONNOR. I couldn't say without going all through the figures; I figured each building separately.

Mr. McKENZIE. On a rough estimate, what do you say; 50,000 feet?

Mr. O'CONNOR. There probably would be that amount.

Mr. McKENZIE. So 50,000,000 feet, at \$8 a thousand, saved, would be about \$400,000?

Mr. O'CONNOR. \$400,000.

Mr. McKENZIE. Now, I want to ask you, Mr. O'Connor, whether you have ever had any experience in cost-plus contracts?

Mr. O'CONNOR. Some; yes, sir.

Mr. McKENZIE. Just tell us about that; what character of contracts?

Mr. O'CONNOR. Well, in the past 15 or 16 years I have had various contracts under a cost-plus system.

Mr. McKENZIE. What was the nature of the work?

Mr. O'CONNOR. Well, for instance, I built the Wabash house on a commission basis; that is the only one of any magnitude that I remember of.

Mr. McKENZIE. You were working for a railroad company at that time?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. And were there any special reasons why that contract was let in that manner; why it could not have been let on the lump-sum contract, if you know?

Mr. O'CONNOR. No; I don't know the reason. They called on me and wanted me to go down and start the building the following day.

Mr. McKENZIE. Did you have a written contract or did you simply do the work for the company?

Mr. O'CONNOR. I had a written contract.

Mr. McKENZIE. Were there any so-called safeguards in that contract that you remember?

Mr. O'CONNOR. The buildings were not run over a certain fixed sum.

Mr. McKENZIE. What is your judgment about the so-called cost-plus contract system?

Mr. O'CONNOR. Well, personally, from the contractor's standpoint I did not care for it. I would much prefer to have a lump-sum contract, because you can go ahead and if you happen to make 20 per cent or 10 per cent or whatever it may be, it is all yours, and you do not have to open your books to the owner nor turn in reports, as I say, what is yours is your own; you have it; it is legitimate; yours; on the other hand, you have to turn in a report of your work and material, and it increases bookkeeping and increases over-



personally, from my standpoint as a contractor, I much  
 amp-sum way of bidding.

ENZIE. What effect does it have on your organization; on

ENROR. Well, it has just this effect, Congressman, that you,  
 e a cost-plus contract—in other words, a contract on a  
 basis—if you can secure that work and keep it absolutely  
 on the owner and yourself and the architect and not let  
 ul know it, not even your bookkeeper in your office, you  
 get through with it, and let the men believe they are  
 a contract and they would perhaps do the work they  
 ut once it leaks out—and I think any contractor that has  
 erience will bear me out in this—once it leaks out and  
 ers and the carpenters and the laborers on the building  
 e is naturally a slacking up. I have had that in experi-  
 ilding where I have had to fire 25 or 50 men to stop the  
 t was on a cost-plus basis and the more it cost the more I

I think it demoralized labor where men know it is a  
 tract, and the men take advantage of it.

ENZIE. Now, Mr. O'Connor, at the time these contracts  
 course, it was war time and there was a great rush to  
 k done, and the reason—I have always said the excuse,  
 the reason—for adopting the cost-plus system was to  
 k done and that no contractor would have been willing  
 h jobs. I want to ask you, from your experience, taking  
 ration the character of the work to be done, whether or  
 ur organization you could have taken this work on a  
 r unit for the different characters of work or construc-  
 the utilities; was there anything that would prevent a  
 urself, or any other contractor with an organization,  
 g so much per unit for such construction, and they  
 ept on building until now if they desired to keep on  
 ings; do you know of any reason why that could not  
 ne?

ENROR. That is, for instance, if they gave us a plan for  
 200-men barracks buildings, and one mess hall, and  
 of the types used there?

ENZIE. Yes.

ENROR. We could figure that building out, figure the  
 and the profit on that one type of building, and the  
 could add a thousand, if they so desired it, by multi-  
 rice on one building.

ENZIE. Would that be true on roads?

ENROR. Yes; they could get the roads' price, so much per

ENZIE. And the water mains?

ENROR. So much a lineal foot.

ENZIE. How about the plumbing and the electrical wir-

ENROR. The plumbing would be taken in on the figures on  
 ; so many outlets for plumbing and the toilets. And  
 work also.

ENZIE. And the sewerage, would it have been protected?

Mr. O'CONNOR. I think so; a price per lineal foot on the service.

Mr. McKENZIE. Can you give us any reason or present any argument why that would not have been practicable; that is, we would like to find out; as a practical contractor and builder, you point out any reason why the Government could not have done that?

Mr. O'CONNOR. No; I really can't see any. They could have taken those figures, as I said, on one building; and multiplied by the number of buildings, and that would have been all that was ever was necessary later.

Mr. McKENZIE. Had you ever entered into any such contract; of that character?

Mr. O'CONNOR. Not exactly that way. I have had them, hundreds of dozens of contracts where I have had unit prices; that is, when an alteration was made in a group of buildings there would be a price for a cubic yard of concrete, so much per thousand for 2 by 4 for much for flooring, so much a square for roofing, and for what plumbing fixtures were necessary, etc. I have entered into those contracts.

Mr. McKENZIE. Would you have been willing to have entered into such a contract?

Mr. O'CONNOR. I would.

Mr. McKENZIE. There has been a great deal of testimony before this committee on the delay that was caused by the system that was prevailed over here, and of course, in that way added to the cost. I want to ask you whether or not there is a difference in the cost of the men under the fixed sum, either per unit or for the whole job, in getting the work done; is it hastened or delayed? Can you get the work done in less time under the fixed contract system, either per unit or otherwise, than you can under the system that was adopted?

Mr. O'CONNOR. Oh, I think, as I testified just a few moments ago, you can always get more efficient work, more work and better work out of the men on a lump-sum contract; only because the men have a mistaken idea always, if they are on a commission job that they loaf the more money they make for you.

Mr. McKENZIE. Then, if that is your view, the contract system was adopted, if it was adopted with the purpose of haste and speed in getting the work done, that is not a sound contention?

Mr. O'CONNOR. I think not.

Mr. McKENZIE. I have here some plats which I desire to show you, marked as exhibits.

(The plats referred to were thereupon marked J. P. O'C., 2, 3, 4, respectively.)

Now, Mr. O'Connor, I hold in my hand here, a blue print of a two-story barracks building which was prepared in May, 1917. I want to show this to you and ask you how long, in your judgment, would it have taken you or any other competent contractor or architect to prepare plans and specifications for the construction of that character of building; I mean, of course, if the blue print had been placed in your hands or in your possession?

Mr. O'CONNOR. Well, that is the plant, Congressman.

Mr. McKENZIE. What is that?

Mr. O'CONNOR. That is the plant itself; the completed plan.

Mr. McKENZIE. What I meant to ask you was about the specifications. How long would it take to prepare specifications?

NOR. Why, I should judge we could have a finished out for this well within a week; there is so little to it. (printing. Illustrations on file with the committee.)

NZIE. I hold in my hand here, an exhibit, marked , dated February 14, 1918, as taken from the files of y Construction Division of the War Department, and seen it before; it was just now handed to me and t to you and ask you if you have ever seen the orig- of it (handing paper to the witness)?

NOR. No; I have never seen it before.

NZIE. Did you know that there was any such letter

NOR. Wait a moment; here is something here I haven't s makes it interesting; I have never saw it before.

NZIE. Well, for the information of the committee I his into the record. (Reading:)

"FEBRUARY 14, 1918

ee on Emergency Construction.

tries Board.

onal construction work at Camp Grant, Rockford, Ill.

ittee has been asked by the cantonment division of the Quar- to recommend contractor for new construction work in con- ospital and storehouses at Camp Grant, Rockford, Ill., esti- which is about \$500,000. In keeping with the request your umends that the contract be awarded to Henry Ericsson Co., the most desirable and available contractor for this work at e.

hereto is a brief abstract of some of the contractor's past and, ly, recent work. This company is incorporated under the te of Illinois.

ing the above recommendation your committee has considered as to the qualifications of this and other leading contractors o this work and has concluded that this company is the most ciently execute this work under existing conditions.

COMMITTEE ON EMERGENCY CONSTRUCTION.

W. A. STARRETT.

*Chairman, Major Engineers, United States Reserve.*

By F. L. OLMESTEAD.

structed, we are submitting as alternates the names of the fol- : J. F. & J. W. O'Connor Co., Chicago, Ill.; J. L. SIMMONS

NZIE. This refers to J. F. & J. W. O'Connor Co., of I want to ask you if J. F. & J. W. O'Connor is your

NOR. That is my firm.

NZIE. Is the J. P. O'Connor mentioned in this letter. r to you?

NOR. I presume it does; it must, yes, sir.

NZIE. In other words, the emergency construction com- t time seemed to think that you were a competent least?

NOR. It is entirely new to me.

NZIE. Did you include in your figures the remount sta- mp Grant?

NOR. Yes, sir.

NZIE. That was included?

NOR. Yes, sir.



Mr. McKENZIE. And did you include the rifle range also; in words, was there anything out there that you did not include in your estimate.

Mr. O'CONNOR. No buildings; we took in everything within camp limits.

Mr. McKENZIE. You did not take in the rifle range at all in your estimate?

Mr. O'CONNOR. I would have to look at that plat plan; did you take the plat plan at all? (Witness examines the plate marked No. 1.) No; it did not include that.

Mr. McKENZIE. Did it include a bridge across Rock River?

Mr. O'CONNOR. No, sir.

Mr. McKENZIE. These two items would be necessarily added to your figures?

Mr. O'CONNOR. Yes, sir; added to my figures. Now, there is one more thing I would like to say, Congressman. We found, on going over the camp, and as noted on this plat plan, a great number of farmhouses. Now, not knowing what alteration was made in those farmhouses, I put in a lump-sum estimate of \$10,000.

Mr. McKENZIE. To take care of the alterations?

Mr. O'CONNOR. Yes; not knowing whether it was done by the tractor or the Army itself or whom.

Mr. McKENZIE. In other words, you took everything into consideration, and then added on a sufficient amount so that you would be sure that you had it high enough; is that the idea?

Mr. O'CONNOR. Yes; and the farmhouses I put in a lump-sum of \$10,000 for such alterations as were necessary.

Mr. McKENZIE. Now, I want to ask you to look at this again, Mr. O'Connor, and say if that book [handing a book to witness] represents your detail work on your estimate?

Mr. O'CONNOR. Yes, sir; it does; these are our figures.

Mr. McKENZIE. And it was on these figures and estimates that you based your final estimate of the costs of all those buildings?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. I desire to have that book marked.

(The book referred to was thereupon marked JPO'C. No. 1.)

Mr. McKENZIE. The figures and estimates made by Mr. O'Connor may be inserted into the record at this point.

(The figures and estimates referred to are as follows:)

CHICAGO, October 1, 1917.

Hon. JOHN C. McKENZIE,

*House of Representatives, Washington, D. C.*

DEAR SIR: I herewith turn over to you my report on the cost of construction at Camp Grant, Ill. This estimate includes cost of all labor and material involved in the erection of all buildings; also the heating, plumbing, electrical work, both for buildings and street lighting, water-supply system, and the roads. The figures herein are based on the prices of labor and material prevailing at the time this work was under way, viz, the spring and summer of 1917.

In making this estimate I secured a general plat plan of the camp, checked with the buildings actually erected on the ground. I then figured all of the different materials and labor in each of the buildings. I next made estimates on all of the subtrades from reliable firms, and made up the figures absolutely on the theory that I was bidding on a proposition which might secure by contract, and therefore allowed liberally both as to cost and general conditions and profit.

Very truly, yours,

J. P. O'CONNOR

*Camp Grant, recapitulation.*

inches.....	\$4,551,890.00	
.....	1,622,165.00	
.....	564,371.00	
.....	6,738,426.00	
eral conditions.....	235,000.00	
.....	6,973,426.00	
.....	348,671.30	
.....	<b>\$7,322,097.30</b>	
ical work.....	194,000.00	
.....	370,073.00	
.....	450,000.00	
.....	357,000.00	
.....	1,371,073.00	
eral conditions.....	15,501.00	
.....	1,386,574.00	
.....	69,328.70	
.....	<b>1,455,902.70</b>	
.....	<b>8,778,000.00</b>	
.....	<b>\$38,290</b>	
.....	<b>3,254</b>	
.....	<b>41,544.00</b>	
.....	<b>8,819,544.00</b>	

*Camp Grant.*

	Num- ber.	Size.	Price.	Total price.
	2	43 by 130 feet.....	\$5,511	\$11,022
	9	43 by 100 feet.....	4,695	42,255
	1	20 by 36 feet.....	406	406
	1	29 by 49 feet.....	1,876	1,876
	4	20 by 133 feet.....	1,498	5,992
	3	20 by 126 feet.....	1,419	4,257
	2	20 by 119 feet.....	1,340	2,680
	12	43 by 140 feet.....	6,400	76,800
		30 by 61 feet.....	2,061	24,732
	165	43 by 140 feet.....	6,400	1,056,000
	3	43 by 79 feet.....	3,826	11,478
	1	20 by 101 feet.....	2,271	2,271
	2	20 by 49 feet.....	542	1,084
	2	20 by 63 feet.....	710	710
	3	20 by 50 feet.....	563	1,689
	98	30 by 60 feet.....	2,061	201,978
	7	20 by 70 feet.....	788	5,516
	6	43 by 140 feet.....	6,400	38,400
		30 by 80 feet.....	2,703	16,218
	11	43 by 86 feet.....	3,796	41,756
	5	43 by 120 feet.....	5,677	28,385
	1	20 by 80 feet.....	2,703	2,703
	1	43 by 69 feet.....	3,035	3,035
	1	20 by 56 feet.....	630	630
	1	20 by 108 feet 6 inches.....	1,222	1,222
	1	20 by 35 feet.....	406	406
	7	24 by 157 feet.....	3,800	26,600
	1	43 by 98 feet.....	4,600	4,600
	1	43 by 140 feet.....	6,400	6,400
		30 by 60 feet.....	2,061	2,061
	33	29 by 140 feet.....	1,540	50,820
	7	29 by 120 feet.....	1,320	9,240
	5	29 by 195 feet.....	2,200	11,000
	2	29 by 180 feet.....	1,680	3,960
	36	29 by 130 feet.....	1,430	51,480
	20	29 by 80 feet.....	880	17,600
	11	29 by 110 feet.....	1,210	13,310
	58	29 by 100 feet.....	1,100	63,800
	6	29 by 50 feet.....	550	3,300
	1	28 by 80 feet.....	880	880
	1	29 by 108 feet.....	1,180	1,180



## Camp Grant—Continued.

Name.	Num-ber.	Size.	Price.
Stables	6	29 by 40 feet.	\$440
Do.	1	29 by 70 feet.	770
Do.	1	29 by 150 feet.	1,650
Lavatory	1	14 by 18 feet.	308
Do.	121	14 by 14 feet.	275
Do.	10	21 by 49 feet.	1,002
Do.	7	14 by 28 feet.	474
Do.	177	21 by 56 feet.	1,126
Do.	3	14 by 36 feet.	453
Do.	3	21 by 48 feet.	1,220
Do.	1	14 by 26 feet.	440
Do.	26	14 by 21 feet.	357
Do.	2	29 by 56 feet.	1,965
Do.	23	20 by 49 feet.	1,186
Do.	1	14 by 35 feet.	453
Do.	1	29 by 29 feet.	1,018
Do.	18	14 by 29 feet.	491
Do.	2	14 by 20 feet.	330
Do.	2	14 by 16 feet.	275
Do.	4	24 by 35 feet.	1,016
Muster building	1	82 by 82 feet.	3,000
Lumber shed	1	20 by 75 feet.	448
Office buildings	1	20 by 60 feet.	964
Do.	1	20 by 84 feet.	1,350
Do.	1	20 by 83 feet.	1,350
Do.	2	20 by 120 feet.	1,927
Do.	1	20 by 77 feet.	1,257
Do.	1	20 by 227 feet.	3,647
Do.	1	22 by 43 feet.	770
Do.	2	20 by 56 feet.	900
Do.	3	20 by 28 feet.	450
Do.	1	24 by 45 feet.	867
Operating room	4	21 by 24 feet.	455
Operating pavilion	1	47 by 93 feet.	2,857
Oat crushing	1	20 by 42 feet.	396
Reviewing stand	1	20 by 20 feet.	125
Surgeons offices	2	20 by 21 feet.	500
Administration building	1	20 by 96 feet.	1,478
Do.	2	20 by 60 feet.	964
Do.	1	30 by 52 feet.	2,496
Do.	15	20 by 84 feet.	1,350
Do.	1	35 by 116 feet.	4,300
Hose-cart building	1	7 by 10 feet.	50
Oil storage	1	20 by 30 feet.	475
Warehouse	13	60 by 168 feet.	7,800
Do.	8	60 by 166 feet.	8,400
Do.	1	26 by 153 feet.	2,187
Medical building	7	20 by 119 feet.	4,800
Library	1	40 by 120 feet.	8,000
Barber shop	1	25 by 41 feet.	1,200
Do.	1	25 by 35 feet.	1,000
Shed	1	24 by 40 feet.	280
Loading platform	1	20 by 265 feet.	2,062
Pumping station	1	46 by 60 feet.	
Hog house	1	22 by 40 feet.	200
Contractors shop	1	28 by 50 feet.	900
Animal house	1	21 by 14 feet.	226
Band stand	1	25 by 25 feet.	150
Kitchen	1	47 by 127 feet.	11,306
Road department	1	40 by 45 feet.	1,200
Sign shop	1	20 by 35 feet.	462
Post bakery	1	91 by 136 feet.	9,500
Scale house	2	24 by 27 feet.	520
Hay sheds	4	61 by 277 feet.	7,500
Do.	4	61 by 230 feet.	6,100
Do.	1	61 by 253 feet.	6,831
Harness shop	1	16 by 16 feet.	175
Forage	3	20 by 24 feet.	445
Chapel	1	24 by 58 feet.	1,781
Mortuary	1	24 by 35 feet.	1,340
Power house	1	45 by 56 feet.	5,068
Laundry	1	24 by 150 feet.	4,608
Do.	1	200 by 270 feet.	51,000
Storage O.	4	24 by 150 feet.	3,100
Pigeon roost	1	10 by 14 feet.	70
Infirmary	1	30 by 63 feet.	2,381
Hay sheds	4	40 by 90 feet.	1,468

## Camp Grant—Continued.

	Num- ber.	Size.	Price.	Total price.
	8	20 by 38 feet.....	\$750	\$6,000
	6	9 by 40 feet.....	130	650
	29	20 by 21 feet.....	455	13,195
ding.	1	43 by 98 feet.....	4,158	4,158
	1	40 by 58 feet.....	5,000	5,000
	1	40 by 80 feet.....	19,500	19,500
	1	17 by 18 feet.....	804	804
	1	24 by 60 feet.....	3,800	3,800
	1	20 by 20 feet.....	1,051	1,051
	1	50 by 100 feet.....	(1)	(1)
	1	20 by 126.....	2,218	2,218
building.	12	34 by 156 feet.....	11,880	142,560
	1	81 by 150 feet.....	9,950	9,950
	1	24 by 128 feet.....	3,195	3,195
	8	98 by 157 feet.....	10,650	85,200
	1	24 by 31 feet.....	1,106	1,106
	1	81 by 150 feet.....	8,172	8,172
	16	24 by 157 feet.....	4,823	77,168
	6	24 by 156 feet.....	4,792	23,960
	1	81 by 157 feet.....	9,950	9,950
	3	30 by 156 feet.....	13,362	40,086
	2	81 by 150 feet.....	8,172	16,344
	3	24 by 110 feet.....	4,608	13,824
	30	20 by 93 feet.....	1,078	38,608
	1	60 by 300 feet.....	13,851	13,851
	1	31 by 297 feet.....	6,608	6,608
	1	23 by 36 feet.....	546	546
	16	20 by 42 feet.....	554	8,864
	2	15 by 32 feet.....	317	634
	1	20 by 63 feet.....	832	832
	1	8 by 12 feet.....	63	63
rters.	1	30 by 50 feet.....	1,498	1,498
	1	8 by 10 feet.....	58	58
and farm houses.	1	24 by 139 feet.....	4,270	4,270
				573,918
	1	36 by 193 feet.....	5,836	5,836
	1	66 by 76 feet.....	7,000	7,000
	1	20 by 161 feet.....	2,833	2,833
	1	20 by 161 feet.....	2,833	2,833
	1	55 by 103 feet.....	7,931	7,931
	1	40 by 170 feet.....	8,160	8,160
	1	40 by 210 feet.....	10,080	10,080
	2	65 by 180 feet.....	14,000	28,000
	1	26 by 104 feet.....	2,596	2,596
	1	14 by 21 feet.....	211	211
	1	16 by 64 feet.....	1,229	1,229
	1	38 by 110 feet.....	5,016	5,016
	1	24 by 56 feet.....	1,720	1,720
	1	28 by 44 feet.....	1,478	1,478
	1	18 by 27 feet.....	311	311
	1	17 by 14 feet.....	171	171
	1	18 by 30 feet.....	388	388
	1	68 by 101 feet.....	14,100	14,100
	1	30 by 88 feet.....	2,992	2,992
	1	20 by 41 feet.....	650	650
	1	30 by 80 feet.....	2,703	2,703
	1	20 by 30 feet.....	450	450
	2	20 by 42 feet.....	675	1,350
	1	20 by 80 feet.....	2,000	2,000
	1	20 by 63 feet.....	1,575	1,575
	9	20 by 84 feet.....	2,100	18,900
	2	20 by 86 feet.....	2,150	4,300
	1	24 by 93 feet.....	2,325	2,325
	1	20 by 80 feet.....	6,200	6,200
	1	22 by 45 feet.....	4,000	4,000
	1	15 by 20 feet.....	200	200
	2	31 by 67 feet.....	2,530	5,060
	1	31 by 84 feet.....	3,200	3,200
	1	10 by 14 feet.....	200	200
	1	31 by 88 feet.....	3,323	3,323
	1	29 by 288 feet.....	1,792	1,792
	10	29 by 350 feet.....	2,184	21,840
	4	29 by 300 feet.....	1,848	7,392
	2	29 by 60 feet.....	392	784
	1	29 by 110 feet.....	672	672
	1	29 by 92 feet.....	616	616
	1	29 by 286 feet.....	1,806	1,806
	1	29 by 330 feet.....	2,072	2,072

\* Included in electrical work.

## Camp Grant—Continued.

Name.	Number.	Size.	Price.
Mess hall.....	1	28 by 84 feet.....	\$1,811
Do.....	4	20 by 102 feet.....	1,485
Do.....	23	20 by 147 feet.....	2,079
Do.....	2	24 by 157 feet.....	4,792
Do.....	1	108 by 120 feet.....	11,368
Do.....	1	45 by 49 feet.....	3,395
Wagon sheds.....	3	29 by 117 feet.....	728
Two-story ward.....	4	108 by 222 feet.....	14,000
Hospital No. 9.....	2	36 by 168 feet.....	21,404
Neuropsychiatric ward.....	1	24 by 162 feet.....	5,800
Telegraph and telephone.....	1	20 by 103 feet.....	2,153
Gas engine house.....	1	14 by 14 feet.....	150
Post-office barrack.....	1	20 by 28 feet.....	985
Do.....	1	40 by 106 feet.....	3,350
Gas-filling station.....	1	35 by 42 feet.....	1,764
3,875 linear feet connecting corridor (closed).....			52,326
3,450 linear feet connecting corridor (open).....			16,704
Huts.....	230	20 by 20 feet.....	400
Lavatory.....	10	20 by 56 feet.....	1,227
Kitchen.....	10	20 by 40 feet.....	750
Less 10 per cent incomplete.....			
Barracks.....	50	30 by 60 feet.....	2,100
Mess buildings.....	13	20 by 161 feet.....	2,277
Less 60 per cent incomplete.....			
Barrack building.....	100	30 by 60 feet.....	2,100
Mess hall.....	38	20 by 161 feet.....	2,277
Lavatory.....	30	20 by 40 feet.....	750
Less 20 per cent incomplete.....			
Stable.....	1	29 by 140 feet.....	1,540
Do.....	3	29 by 80 feet.....	880
Do.....	1	29 by 120 feet.....	1,320
Do.....	3	29 by 110 feet.....	1,210
Do.....	10	29 by 180 feet.....	1,980
Do.....	3	29 by 40 feet.....	440
Do.....	3	29 by 60 feet.....	650
Fire station.....	1		3,200
Remount and corral fencing.....			
Remount grain trough.....			
Remount hay racks.....			
Remount 274 watering troughs.....			30
Remount loading platform.....			
Remount dipping tank.....			
Coal bins.....	832		10
Wagon shed.....	1	24 by 32 feet.....	234
Do.....	1	29 by 189 feet.....	1,176
Do.....	6	29 by 54 feet.....	335
Do.....	1	29 by 40 feet.....	280
Do.....	6	29 by 153 feet.....	952
Do.....	1	39 by 126 feet.....	784
Do.....	3	29 by 90 feet.....	560
Do.....	1	21 by 72 feet.....	448
Do.....	2	29 by 45 feet.....	280
Do.....	3	29 by 80 feet.....	405
Do.....	4	29 by 108 feet.....	672
Do.....	2	20 by 36 feet.....	224
Do.....	23	29 by 171 feet.....	1,064
Do.....	3	29 by 72 feet.....	448
Do.....	6	18 by 29 feet.....	165
Do.....	1	18 by 36 feet.....	170



## Camp Grant—Continued.

	Num-ber.	Size.	Price.	Total price.
	4	29 by 126 feet.....	\$784	\$3,136
	1	29 by 36 feet.....	224	224
	37	20 by 112 feet.....	1,950	72,150
	1	30 by 63 feet.....	3,326	3,326
	17	20 by 91 feet.....	1,602	27,234
	9	20 by 80 feet.....	1,408	12,672
	1	20 by 119 feet.....	2,094	2,094
	2	20 by 28 feet.....	493	986
	16	20 by 133 feet.....	2,341	37,456
	3	20 by 84 feet.....	1,478	4,434
	1	20 by 56 feet.....	986	986
	7	20 by 101 feet.....	1,778	12,446
	1	20 by 70 feet.....	1,232	1,232
	1	116 by 198 feet.....	4,608	4,608
	3	14 by 18 feet.....	418	1,254
	2	36 by 63 feet.....	4,293	8,586
	2	44 by 46 feet.....	4,545	9,090
	1	14 by 28 feet.....	551	551
	20	14 by 14 feet.....	325	6,500
	1	20 by 21 feet.....	697	697
	1	20 by 28 feet.....	930	930
	6	46 by 63 feet.....	5,502	33,012
	1	46 by 84 feet.....	8,594	8,594
	4	14 by 21 feet.....	488	1,952
	1	43 by 56 feet.....	5,418	5,418
	1	20 by 20 feet.....	664	664
	1	14 by 19 feet.....	442	442
	1	89 by 100 feet.....	20,025	20,025
	1	20 by 70 feet.....	1,232	1,232
	1	20 by 96 feet.....	1,690	1,690
	1	20 by 112 feet.....	1,971	1,971
	1	20 by 160 feet.....	2,816	2,816
	10	20 by 56 feet.....	986	9,860
	1	24 by 35 feet.....	1,478	1,478
	1	29 by 112 feet.....	6,547	6,547
	1	24 by 70 feet.....	3,387	3,387
	2	20 by 119 feet.....	4,800	9,600
	3	20 by 98 feet.....	3,951	11,853
	1	20 by 110 feet.....	4,435	4,435
	1	20 by 126 feet.....	5,080	5,080
	1	20 by 28 feet.....	1,129	1,129
	1	20 by 114 feet.....	4,596	4,596
				390,996

IE. Now, I think the committee will take a recess

P. JUDAH. I would like to state into the record now  
 . Rogers, president of the Bates & Rogers Construc-  
 . Stanley Holland, and Mr. E. P. Lenahan are present  
 ve the committee any information that the committee  
 nd they are now ready to do so. In view of the com-  
 uesterday to give us a copy of the testimony, and allow  
 statement in writing as a part of the record, we wish  
 offer and submit our statement to the committee later,  
 ourselves of the offer of the committee to subpoena  
 that we desire later in Washington; we desire to  
 offer; that is on behalf of the Bates & Rogers Con-

IE. I think we can take care of that, because you will  
 submit a large list of witnesses.

No; perhaps not any.

A. TRUDE. On behalf of the Henry Ericsson Co., I  
 sent to the committee that Mr. Henry Ericsson, presi-  
 npany, is here, and is ready to render to the commit-  
 nce that the committee may call for by him, and will

reserve the right given by the committee to make a statement in writing if he sees fit later on, and also reserve the right to call any witnesses in Washington, as the committee has conceded.

Mr. McKENZIE. You desire a copy of the record?

Mr. TRUDE. Yes, sir.

Mr. McKENZIE. I might say this, on behalf of the committee, that we will have a clear understanding of this matter: If Mr. Bates or Mr. Ericsson desire to take the witness stand voluntarily and make a statement, either sworn or unsworn, they have the right to do it, and we will come back this afternoon and hear them, and if they prefer to submit it in writing, as suggested by Mr. Judah, that is satisfactory to us, or to appear later when we resume this hearing in Washington. That will be satisfactory to the committee. If they do not care to go on the witness stand to make any statement, we will simply determine at this time, otherwise we will come back this afternoon and give you the opportunity.

Mr. JUDAH. On behalf of Bates & Rogers, any of the officers are ready to go on the stand at the call of the committee.

Mr. TRUDE. And the same is true of Mr. Ericsson, of the Henry Ericsson Co.

Mr. JUDAH. And we will be ready to appear before the committee or the subcommittee at any time at its later call.

Mr. McKENZIE. Do they wish to make any statement now? If not, we will simply close the matter up and take it with you at a later time.

Mr. JUDAH. We will make the statement later as offered by the committee.

Mr. TRUDE. The same as to the Henry Ericsson Co.

Mr. McCULLOCH. Is it entirely satisfactory to you that the committee adjourn now?

Mr. JUDAH. Yes, sir.

Mr. TRUDE. Yes, sir; it is to us.

Mr. McKENZIE. The committee will then adjourn.

(And thereupon, at 12.30 o'clock p. m., the committee adjourned to meet at the call of the chairman.)

**AND AFFIDAVITS, MESSRS. McGRATH, DAWSON,  
BELLOWS, ET AL.**

Sons, General Contractors, Building Construction, New First National  
Bank Building, Columbus, Ohio.]

DECEMBER 2, 1919.

**McKENZIE,**  
*Subcommittee No. 2 (Camps),  
Committee on Expenditures of the War Department,  
House Office Building, Washington, D. C.*

You will recall that in our conference with the mem-  
ber of the committee in this city on the 1st day of November last  
given us by the committee to submit evidence, includ-  
ing affidavits, with reference to the contract work of  
McGrath and D. W. McGrath & Sons at Camp Sherman, Ohio,  
on the part of the committee that the matter so  
should be included with the evidence taken by the com-  
mittee along with such evidence. We are ac-  
cording by registered mail, addressed to the committee  
its chairman, the following statements, affidavits, and

of Daniel W. McGrath, Edward H. McGrath, and  
McGrath, duly verified by their respective oaths; the affi-  
davit of Z. Dawson, architect; of Charles Walter Bellows,  
Samuel P. Baird, civil engineer; two affidavits of  
John, accountant, one made November 1, 1919, and the  
November 28, 1919; the affidavit of J. A. Collins, cashier  
of the contractor; the affidavit of Charles Jack,  
Ross County National Bank, Chillicothe, Ohio; of  
Lann, assistant to the general superintendent of the  
the affidavits of Frank A. Westkamp, Anson H. Mickey,  
own, and George W. Keeney, foremen; certified copies,  
of the indictment and judgment of conviction and sen-  
M. Watts for forgery, in the court of common pleas of  
ty, Ohio, at the January term, 1915, in case No. 982  
rt, said Watts being sentenced on the 15th day of May,  
will recall that this man Watts was one of the witnesses  
the committee.

ing evidence would have been submitted to you before  
, but has been delayed a few days on account of the  
attorney. We wired you relative to this yesterday and  
matter would be mailed to-day.

ing the fairness and courtesy of the committee, we

Respectfully, yours,

D. W. McGRATH & SONS,  
By D. W. McGRATH.

2081



## STATEMENT OF DANIEL W. McGRATH.

To the Subcommittee No. 2 of the Select Committee of the of Representatives of the United States on Expenditures War Department.

The undersigned, Daniel W. McGrath, is 65 years of age; at 1575 Neil Avenue, in the City of Columbus, Ohio, and has said city for 45 years last past, and has been engaged in business as a contractor and general contractor, in said city since 1885, and the month of March, 1919, carried on said business in the name and style of "D. W. McGrath."

Said Daniel W. McGrath is the father of Edward H., Frank and John A. McGrath. His son, Edward H. McGrath, has been associated with and employed by him in said business since 1907. His son, Frank J. McGrath, has been employed by him in said business since 1908. His son, John A. McGrath, has been employed by him in said business since about 1907.

With the exception hereinafter stated, said Daniel W. McGrath has operated and conducted said business solely as an individual and no one has been associated with him as a partner until the month of March, 1919. An exception of the several contracts made with the Government of the United States hereinafter referred to, all contracts in said business were made in the name of and by D. W. McGrath until after the formation of said partnership of D. W. McGrath and Sons.

On or about the 28th day of November, 1917, the contract for the construction and completion of alterations, additions, and repairs at Camp Sherman, Chillicothe, Ohio, such as might be ordered from time to time in writing within six months from the date of said contract, was awarded to Daniel W. McGrath, and the contract therefor was made and entered into, in writing, dated the 1st day of December, 1917. Said contract erroneously contains a recital that it was "Made and concluded by and between D. W. McGrath, Daniel W. McGrath, F. J. McGrath, and H. A. McGrath, copartners conducting the firm of D. W. McGrath, of 801 First National Bank Building, Columbus, Ohio," and was first signed "D. W. McGrath, by Daniel W. McGrath; E. H. McGrath, F. J. McGrath, and H. A. McGrath." Afterwards at the request of the representatives of the United States Government the further signature of "D. W. McGrath" was added to said contract.

At the time the contract was made, and at all times during the performance thereof, said Daniel W. McGrath was the sole proprietor of the said business and alone interested in said contract as the principal; that his said sons, E. H. McGrath, F. J. McGrath, and John A. McGrath (erroneously designated in said contract as H. A. McGrath) were not in fact copartners nor members of the firm of D. W. McGrath; but the said Edward H. McGrath, Frank J. McGrath, and John A. McGrath were, at the time said contract was made, employees of the said Daniel W. McGrath, and were paid by Daniel W. McGrath salaries for their respective services rendered to him by them in said business.

When the performance of said contract was commenced the said Daniel W. McGrath, directed his son, Frank J. McGrath,

l superintendent for the performance of said contract, Frank J. McGrath thereafter and until the contract of September 18, 1917, was made, acted as the general superintendent of and continued his services as general superintendent of the other business and was paid for his services as such out of the Camp Sherman work by the Government of the United States, and was not paid any salary whatever by the said Daniel W. McGrath, except for the period of approximately six months from the commencement of the said construction work, the said Daniel W. McGrath having continued the said business of the said F. McGrath on the pay roll of said contractor during the said six months' period through inadvertence and mistake.

At the time the performance of said contract was commenced by the said Daniel W. McGrath, a contract, dated November 1, 1917, was prepared and at the time of the signing of the said contract by the said Daniel W. McGrath, he noted the recital therein to the effect that D. W. McGrath, F. J. McGrath, and H. A. McGrath were composing the firm of D. W. McGrath, and on inquiring of the said Daniel W. McGrath, that inquiry had been made of the said Daniel W. McGrath, that inquiry had been made of the said Edward H. McGrath, by telephone from Camp Sherman, of the representatives of the United States, then having charge, as to who constituted the organization of D. W. McGrath, and that the said Edward H. McGrath thereupon stated that the organization consisted of D. W. McGrath, E. H. McGrath as manager, Frank J. McGrath as engineer and superintendent, and that the said Daniel W. McGrath as assistant superintendent, and that the said Daniel W. McGrath was to sign the contract as drawn, said Daniel W. McGrath being informed at the same time that it was to be signed immediately and as it was signed and it was for that reason that he signed the said contract containing such erroneous recital as to the said alleged partnership.

On the day of February, 1918, said contract, dated November 1, 1917, was supplemented and extended by a further contract in which was contained the following recital: "Supplemental agreement for modification of the said contract of November 1, 1917, and whereby the period of time in said contract of November 1, 1917, was changed from six months to eight months, for the construction of hospital facilities and other work, not contemplated at the time the said original contract of November 1, 1917, was made, were made, and the maximum fee allowed and to be paid to the contractor was increased. Said supplemental agreement was signed by the said Daniel W. McGrath, in the following form: "D. W. McGrath, by D. W. McGrath, member of the firm." All the subcontracts for the various items of said work embraced in said contract of November 1, 1917, as amended and modified as aforesaid, were made by the said Daniel W. McGrath and under the name and style under which he was transacting business, namely, "D. W. McGrath"; and, except as hereinbefore provided, all the books of the said business of the undersigned partnership of the said Daniel W. McGrath and Frank J. McGrath, and H. A. McGrath, 1919, were kept in the name of "D. W. McGrath," and all accounts of the said business were kept in the name of "D. W. McGrath," and all checks and other instruments relating to



the said business were signed in the name and style of "D. W. McGrath," and such practice continued until the formation of a partnership of D. W. McGrath and Sons in March, 1918.

On or about the 5th day of September, 1918, the undersigned, Daniel W. McGrath, made and entered into a further contract with the Government of the United States, wherein and whereby it was provided that the contractor should, in the shortest possible time, furnish the labor, materials, tools, machinery, equipment, and supplies, and do all things necessary for the construction and completion of the following work, namely: Additional barracks, mess halls, kitchens, and other buildings and structures and other work as it may be ordered in writing to do at Camp Sherman, Chillicothe, Ohio. Said last-mentioned contract was signed by Daniel W. McGrath, by the undersigned, and also by his said sons, Edward H. McGrath, Frank J., and John A. McGrath, the signatures thereto being as follows:

"D. W. McGrath, by D. W. McGrath;

E. H. McGrath;

F. J. McGrath;

H. A. McGrath,

Members of the Firm (Typewritten)."

When said last-mentioned contract was entered into, the work embraced therein was handled as a joint operation by the undersigned and his said sons, Edward H., Frank J., and John A. McGrath. Each of them kept a separate account of the business pertaining to the said work, and then opened and carried on and a separate bank account maintained for each, and the business embraced in the said contract was kept separate and apart from the other business of the undersigned.

In the operations under the said last-mentioned contract, the undersigned, Daniel W. McGrath, was removed as general superintendent of construction work at Camp Sherman, and thereafter acted as a representative and one of the principal contractors for the work embraced in said work of said contract of September 5, 1918. Commencing with the performance of the said contract of September 5, 1918, the name of the said Frank J. McGrath was taken from the pay roll, paid by the Government of the United States as part of the cost of the said construction work, and the said Frank J. McGrath thereafter drew and received no compensation whatever from the Government of the United States for and on account of any construction work at Camp Sherman, Ohio.

The undersigned, Daniel W. McGrath, had long contemplated the formation of a partnership with his said sons; and with that view had given them an active part in the supervision and management of his contracting business, but he had from time to time deferred the formation of said partnership until his business affairs were in such condition that he deemed it advisable to form a firm.

The undersigned, Daniel W. McGrath, endeavored in good faith to perform and fulfill the said several contracts made and entered into by him with the Government of the United States for construction work at Camp Sherman, Ohio, and with the view of completing said work done as rapidly and efficiently as possible; that no authority or direction, at any time in any of the said work embraced in the said several contracts ever issued or gave any

s with the purpose or view of increasing the cost of the or to slow up the time of the performance thereof, and was no attempt whatever on the part of any of his agents es, engaged in the said work, so far as he has any knowl- ure from the Government of the United States money y due and payable under the said contracts.  
is 2d day of December, 1919.

DANIEL W. McGRATH.

OF OHIO,  
Franklin County, ss:

. McGrath, being first duly sworn, deposes and says that ted in the foregoing statement are true.

DANIEL W. McGRATH.

before me and subscribed in my presence by the said McGrath, this 2d day of December, 1919.

KARL T. WEBBER,

*Notary Public in and for Franklin County, Ohio.*

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#### STATEMENT OF EDWARD H. McGRATH.

ommittee No. 2, of the Select Committee of the House of atives of the United States on Expenditures of the War nt.

rsigned, Edward H. McGrath, resides at 303 West 9th the City of Columbus, Ohio; is 35 years of age; is the el W. McGrath; has resided in said city all his life, and ociated with his father, Daniel W. McGrath, in the busi- eral contracting since March, 1903, as an employee and usiness manager for about ten years last past; that he t the employ of said Daniel W. McGrath until the forma- artnership of D. W. McGrath and Sons in March, 1919; not at any time associated as a partner or in any joint enterprise with the said Daniel W. McGrath and said rath and John A. McGrath or either of them, until the f said partnership of D. W. McGrath and Sons, except dated September 5, 1918, for emergency work at Camp hio, made and entered into by the said Daniel W. Mc- k J. McGrath, John A. McGrath, and Edward H. Mc- specified and set forth in the accompanying statement iel W. McGrath.

rsigned, Edward H. McGrath, has read the said state- niel W. McGrath and states that all and singular the herein contained are true, as the undersigned verily be-

rsigned, Edward H. McGrath, further says that on the November, 1917, a telegram was received from General arge of cantonment construction for the Government of States, subsequently confirmed by mail, addressed to D. a and Sons, stating:

en selected as contractor for alterations, additions, and repairs at n, Chillicothe, Ohio, such as may be ordered from time to time nths from November 1, 1917. A formal contract on the regular



cost-plus form for emergency work is being prepared and will be sent for execution. Confer immediately with camp quartermaster, who is notified.

The undersigned, on December 1st, 1917, acknowledged receipt of said telegram of November 28, in a letter of which the following is a copy:

DECEMBER 1

Gen. I. W. LITTELL,

*In charge of cantonment construction,  
Quartermaster's Department, Washington, D. C.*

DEAR SIR: We beg to acknowledge receipt of your wire of the 28th, advising us we had been selected as contractor for alterations, additions and repairs at Camp Sherman, Chillicothe, Ohio, such as may be ordered from time to time, within six months from November 1st, 1917, and that formal contract on the regular cost-plus form for emergency work was being prepared and would be sent to us for execution. We have conferred with the camp quartermaster, and have already commenced work.

Thanking you, we are,  
Yours, very truly,

D. W. McGRATH,  
By E. H. McGRATH, Secretary

Immediately after the receipt of said telegram, and as shown in said letter, the preliminary work requisite to the performance of the contract referred to was undertaken, and thereafter the formal contract for such work was made and entered into and dated November 1st, 1917.

Prior to the time that said formal contract was executed, no contract was made of the undersigned by an officer from the Quartermaster's Department to Camp Sherman, Ohio, as to the organization known as "D. W. McGrath," and the undersigned, in answer to such inquiry, stated, in telephone conversation with such officer, that the business was conducted by D. W. McGrath, with E. H. McGrath as business manager, F. J. McGrath as superintendent, and J. A. McGrath as assistant superintendent.

In Nov., 1917, a questionnaire was received from the National Council of Defense, in which inquiry was made as to the particulars of the organization of the general contracting business conducted by Daniel W. McGrath and in the name of "D. W. McGrath." In said questionnaire the said organization was stated as composed of D. W. McGrath, E. H. McGrath, business manager; F. J. McGrath, superintendent; and J. A. McGrath, assistant superintendent.

The undersigned infers that either through the information given to the organization of D. W. McGrath given to the officer at Camp Sherman, Ohio, or through the information contained in said questionnaire the said contract of November 1st, 1917, erroneously cited that D. W. McGrath, E. H. McGrath, F. J. McGrath, and J. A. McGrath (meaning J. A. McGrath) were copartners, composing the firm of D. W. McGrath, and that at the time of the execution of said contract, the undersigned understood that it was the intention of the representatives of the United States to sign the contract as it was written and not to delay the execution thereof for a conference as to any matters of detail.

On the 6th day of March, 1918, a letter, of which the following is a copy was received by the undersigned:

WAR DEPARTMENT,  
OFFICE OF THE CONSTRUCTING QUARTERMASTER, CAMP SHERMAN,  
Chillicothe, Ohio, March 5, 1918.

W. A. Swallow, constructing quartermaster.  
McGrath, contractor, Camp Sherman, Chillicothe, Ohio.  
Colonel.

Advise this office whether or not Mr. F. J. McGrath, who, we understand as general superintendent on the work to be done on the twelve wards at the base hospital is or is not a member of your firm.

(Signed) W. A. SWALLOW, Capt. Q. M. R. C.,  
Constructing Quartermaster.

McGrath thereupon wrote and mailed a reply thereto, of the following is a copy:

MARCH 7, 1918.

W. A. SWALLOW,  
Constructing Quartermaster,  
Camp Sherman, Chillicothe, O.

Replying to your letter of March 5th, in reference to Mr. F. J. McGrath acting as general superintendent on the work to be done on the twelve wards at the base hospital, would advise that he is not a member of your firm.

Very truly,

D. W. McGRATH.

McGrath employed many of the superintendents and foremen in the performance of the said several contracts with the Government of the United States for construction work at Camp Sherman and in each and every instance instructed the several men employed by him to look after their work diligently and employ the best first-class men; to discharge any men who were found incompetent or not performing their duty, and to give the same attention to the work as they would under contract for prizes.

Witness my hand and seal this second day of December, 1919.

EDWARD H. McGRATH.

OF OHIO,  
Franklin County, ss:

I, Edward H. McGrath, being first duly sworn, deposes and says that the contents of the foregoing statement are true.

EDWARD H. McGRATH.

Subscribed and sworn to before me and subscribed in my presence by the said Edward H. McGrath this 2nd day of December, 1919.

KARL T. WEBBER,  
Notary Public in and for Franklin County, Ohio.

#### STATEMENT OF FRANK J. McGRATH.

I am a member of the Select Committee of the House of Representatives of the United States on Expenditures of the War Department.

The undersigned, Frank J. McGrath, is 33 years of age; resides at 1234 Avenue, in the City of Columbus, Ohio; has lived in this city all his life; is the son of Daniel W. McGrath; has been engaged in his father's business as general contractor since 1908, and at that time acted as foreman, superintendent, and estimator.

With the exception of the time when the undersigned acted as general superintendent for the construction work at Camp Sherman,

Ohio, under the contract dated November 1, 1917, and as amended and modified by the contract of February 20, 1918, time commenced about the 1st of December, 1917, and continued about the 5th of September, 1918, he has been in the employ of his father, Daniel W. McGrath, until the partnership of D. W. McGrath & Sons, comprised of Daniel W. McGrath, Edward H. McGrath, John A. McGrath, and Frank J. McGrath, was formed in January 1919, and with the exception of the said contract of September 1918, made and entered into by and between the Government of the United States and Daniel W. McGrath, Edward H. McGrath, John A. McGrath, and the undersigned, he, the said Frank J. McGrath, was not associated as a joint contractor or in partnership with said father and said brothers or any of them.

At the time when the formal contract, dated November 1, 1917, for the construction work at Camp Sherman, Ohio, was received at the Camp Quartermaster's office, Camp Sherman, Ohio, the same was handed to the undersigned to be executed by the contractor, and the undersigned noted then that the name of "J. A. McGrath" was erroneously recited as "H. A. McGrath," and he immediately called the attention of the officer in charge, at the Quartermaster's quarters, Camp Sherman, Ohio, to said error, and was then told to have the contract signed up as it was written and not to delay the execution thereof, and the undersigned thereafter communicated said instructions to his brothers and to his father.

About the 1st of December, 1917, the undersigned acted as superintendent of the construction work at Camp Sherman, Ohio, called on by D. W. McGrath, and had charge and supervision of said work for the contractor. At about the time of the commencement of said work, his salary as an employe of said D. W. McGrath was discontinued, and he was paid compensation for his services in supervising the said construction work by the Government of the United States.

It is provided in article 2 of the contract of November 1, 1917, that the said construction work at Camp Sherman, Ohio, that:

The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as are approved or ratified by the contracting officer and as are included in the following items:

(f) Salaries of resident engineers, superintendents, timekeepers, and other employees at the field office of the contractor in connection with said work. In case the full time of the field employees of the contractor is applied to said work, but is divided between said work and other work, the salary shall be included in this item only in proportion to the actual time applied to this work.

The undersigned devoted his entire time and attention to the performance of his duties as superintendent of said construction work at Camp Sherman, Ohio, and while not engaged in and about said work at Camp Sherman, Ohio, and Chillicothe was engaged in the performance of his said duties at Columbus and elsewhere in procuring material and in expediting the movement of material.

About the time of commencing the said construction work under said contract of November 1st, 1917, in the first week of December of that year, the undersigned stated to Major McDonald, then the superintendent in charge of utilities at Camp Sherman, Ohio, and the undersigned's immediate superior with reference to said work, that he was



the firm of D. W. McGrath, but that he would act as agent for the said contractor and expected to be on the pay roll to be paid by the Government of the United States,

Major McDonald thereupon assented thereto, and the name was entered on the first pay roll, which was payment by the said Major McDonald, and thereafter his continued on said pay roll as an employee of said contractor the performance of the contract of September 5, 1918, ended.

Commencement of said work at Camp Sherman, Ohio, the contractor took foremen, mechanics, and other employees of the firm of said contractor at Columbus, Ohio, and used them for construction work at Camp Sherman, Ohio, and continued to use them as the nucleus for the organization of an adequate number of carpenters, mechanics, and laborers to do the said construction work at Camp Sherman, Ohio. The undersigned procured the materials available for the said construction work and at all times directed them to push the said work to completion as fast as possible so the work efficiently and without unnecessary waste.

From time to time men who were found to be incompetent were discharged and the work done under the supervision of the undersigned was well and faithfully performed, and to such an extent as to meet with the commendation and approval of the officers of the United States Army and resulted largely in subsequent commendations awarded to the said contractor.

No attempt whatever made by the undersigned or any of his assistants or foremen under him on said work to delay the completion of the work, increase the cost thereof, and several buildings constructed by the said contractor were completed at a cost under the allotment by the Government, and considerable savings was also effected in the road construction, the cost of which was also under the allotment.

The undersigned at no time whatever gave orders or instructions to truck drivers or any other men on the pay roll when they were not actually working, but, on the contrary, issued instructions to the men who were not actually needed for the performance of the work.

Edward E. Heald, who testified before the subcommittee at Columbus, Ohio, Thursday, October 30, 1919, was employed by D. W. McGrath as bookkeeper and paymaster in connection with the performance of said contract of November 1, 1917, and continued in that position until about the 5th of September, 1918, when he was relieved of the duties of paymaster, and thereafter acted as foreman on said contract work until some time in January, 1919. On the 1st day of February, 1919, the undersigned received through the United States mail in an envelope addressed to D. W. McGrath, care of D. W. McGrath and Son, Chillicothe, Ohio, a letter written by the said Edward E. Heald, of which the following is a copy:

COLUMBUS, OHIO,  
January 27, 1919.

DEAR MR. MCGRATH:  
The work being practically finished at Sherman, it behooves everyone to get out of their own interests, and I am leaving sooner than I expected to, writing you these facts, which you may investigate and you will

You sent an expert, Mr. John—you also sent Fuller & Staff to check accounts, and I believe you are satisfied that you have not been cheated neither had you.

In making my weekly check up in March, I seem to be \$218.00 short in July \$190.00, and again in Sept. \$21.00, all of which I paid, and there was missing at two different times envelopes, \$13.50 and \$24.00 also paid. But later on after thoroughly checking I discovered I was not at all and in reality the money I turned over to Collins was my own and not due you at all. But, of course, I was too late to regain it. You stand that in my cash was payroll a/c and you will find in that a/c \$ of which \$429.00 belonged to me and the balance does not belong to me. I suppose you will take it.

I recently credited up to your priv. a/c \$188.72, which does not rightfully belong to you either, I having knowledge of what all these things are.

Then another item of \$232.00 difference between \$8.00 per day strait and amt. recd. up to new contract—summary

Due from P. R. a/c-----

29 weeks at \$8.00-----

As against this amount I have paid to myself from new work funds and there is due me for Jan. wages \$75.00—leaving a balance due me which I will be glad to rec. just as soon as possible. I want you to check figures up and verify them as to the correctness but please do so. Should there be any error found I only want exactly what is due me.

Since your work started I have kept detailed statement of all the things and happenings and I can converse pretty intelligently about many things because I really don't believe any one thing escaped fact to be useful around a cantonment one must absorb it all.

You had it pretty soft and money came pretty easy. Mine was a hand that helped to make it and I expect everything that's coming to me

Yours truly,

E. E. F.

32 W. 10th Ave.

On receipt of the foregoing letter, the undersigned directed John, 534 City Park Avenue, Columbus, Ohio; J. A. Collins Lang Johnson to examine and audit the books, accounts, and receipts kept by the said Heald and shortly thereafter, the undersigned consulted his attorneys, Webber, McCoy & Jones, of Columbus relative to the matters set forth in said Heald's letter and expressed said letter to said counsel and was advised by them to continue auditing of said Heald's accounts until the full extent of the present shortage and defaultation was determined.

Thereafter, when it was reported to the undersigned by the said John that the said Heald had appropriated to his own use the money belonging to D. W. McGrath amounting to \$1,512.00, the said undersigned was directed to file an affidavit in Ross County, Ohio, against said E. E. Heald, charging the said Heald with the embezzlement of the said sum. Said Heald was arrested and examined on charge before Walter Story, Mayor of Chillicothe, Ohio, and before the examining magistrate, and after a preliminary hearing was bound over to the grand jury of Ross County, Ohio. The said Heald signed appeared and testified at the said preliminary hearing and also appeared and testified before the grand jury, the said undersigned, John, having also been subpoenaed and having appeared and testified at both the preliminary hearing and before the grand jury.

Under the date of May 8, 1919, said Heald again wrote the undersigned, demanding payment of \$190.00, which he claimed was due him and which he stated included salary for part of the month of January amounting to \$75.00. The undersigned was then advised

and counsel to send for the said Heald, tender him have him give a receipt therefor, said counsel stating it would be a matter of expediency to avoid delay incident to the approval of the final settlement of the contractor for the Camp Sherman work.

day of May, 1919; said Heald was tendered the sum refused to accept the same unless and until the under-execute and deliver to him a paper of which the following:

COLUMBUS, OHIO, *May 22, 1919.*

s which have existed between D. W. McGrath and D. W. and E. E. Heald, are this day satisfactorily adjusted to all.

igned refused to execute any such release, and on June following letter was received from the said Heald:

CITY, *June 9, 1919.*

& Son,  
First National Bank,  
am advised to-day by the Govt.—also legally to again make for \$75.00 Jan. salary, and I await your reply.  
ry truly,

E. E. HEALD.

ve.  
3.

Heald's letter the following reply was made:

JUNE 10, 1919.

0th Ave., City.

e January salary. Yours of the 9th inst. received in regard to Will remind you that I offered you this money in the presence id you refused to take it. I notified the Government of this out. D. W. Meyers, who has since informed me that the Gov- ed to deduct \$75.00 from our settlement. I suggest that you ernment for this money through Major Swallow's office.  
ry truly,

D. W. McGRATH & SONS,  
By F. J. McGRATH.

th, 1919, a letter, of which the following is a copy, was Major W. A. Swallow, through Webber, McCoy and ys, namely:

WAR DEPARTMENT,  
Office of Utilities Division,  
Camp Sherman, Chillicothe, Ohio, *June 12, 1919.*

WALLOW:

Utilities Officer, Camp Sherman, Ohio, to Webber, McCoy and ys at law, Columbus, Ohio.  
id wages—E. M. Heald.

cknowledged of your letter of June 11th enclosing copy of letter i addressed to D. W. McGrath & Sons under date of January 21,

er reference to our letter of May 21, would advise that in- office knows that a tender cash in the amount of \$75.00 was McGrath and Sons to Mr. Heald, and by him refused, arrange- a made whereby this amount will be deducted from the final eir second contract. Upon presentation by them of a receipt l, showing that they have paid him the \$75.00, the D. W. ny will be reimbursed in that amount.

(Signed) W. A. SWALLOW,  
Major, Q. M. Corps, Camp Utilities Officer.



Thereupon the payment of \$75.00 was made to the said E. K. by the said D. W. McGrath & Sons and Heald's receipt taken.

In regard to testimony introduced in this investigation as to the integrity of Fred W. McCann, who was employed by us as a Sherman, wish to state that I regard this man as an able, honorable, efficient, and capable gentleman. He was not dismissed by me, but on account of personal differences between him and one of the officers in charge, I was, in the interests of peace, compelled to request his resignation.

Signed this 2nd day of December, 1919.

FRANK J. MCGRATH

THE STATE OF OHIO,  
*Franklin County, ss:*

Frank J. McGrath, being first duly sworn, deposes and says that the facts stated in the foregoing statement are true.

FRANK J. MCGRATH

Sworn to before me and subscribed in my presence by the said Frank J. McGrath, this 2nd day of December, 1919.

KARL T. WEBBER  
*Notary Public in and for Franklin County,*

#### AFFIDAVIT OF RICHARD Z. DAWSON.

STATE OF OHIO,  
*County of Franklin, ss:*

Richard Z. Dawson, of lawful age, being duly sworn, deposes and says that he resides at 295 Eighteenth Avenue, in the city of Columbus, Ohio, and has lived in the said city for forty-eight years past; that he is an architect by profession, and has been engaged in the practice of his said profession in said city for more than twenty-three years last past; that about the middle of October, 1918, he was employed, through R. W. Pratt, of Cleveland, Ohio, to act as assistant engineer in superintending field construction of buildings at Camp Sherman, Ohio, and continued in the said employment until the 6th or 8th of December, 1918. It was the duty of him in said employment, to supervise and inspect the construction of buildings at Camp Sherman then being performed by the said McGrath & Sons.

Affiant while so employed had his office in the same room in which the said contractors had their office, and in the performance of his duties went over and inspected the entire construction of said contractors daily and at all hours, and affiant therefore by the means of observing and did observe and note the care with which said contractors in selecting and employing men for said work, and the manner in which said work was performed. At the time the construction work was in progress there was an extreme shortage of labor, and it was practically impossible to secure an adequate force of skilled mechanics requisite for the most efficient construction of work in a limited time. Affiant observed, however, that said contractors used great care in the selection of men employed by them for said work; that Frank Arn, H. E. Fosnaugh, and A. H. L.

said contractors as general foremen, each in charge said work, were competent and experienced men and every reasonable way to secure prompt and efficient workmen under them; that said foremen, so far as knowledge, faithfully, honestly, and well performed their duties and required the men under them to work diligently as much and as good work from said workmen as was obtainable under the then existing conditions.

It is also shown that said contractors and their superintendents frequently refused to employ as carpenters men not skilled in that trade, but did employ such men as was necessary work and for which such men were capable; that subformen were removed for incompetency; that a man originally employed as carpenters were demoted and made laborers when it was found that they were not competent; and that said contractors and their superintendents showed at all times great interest and care in the progress of said work and in pushing the same to completion as much and as efficiently as it was possible to do under the then existing conditions.

It is further shown that, considering the quality of the lumber used by the Government for said construction work, there was no waste on the part of the said contractors and their foremen; that affiant personally inspected the lumber used for flooring, ordered and directed that knots and defects thereof be cut out, and then directed that such parts, when salvaged from discarded piles, should be used for flooring and other purposes for which the same was suitable; and that orders with reference thereto were promptly and carried out by the said contractors.

It is further shown that so far as he has knowledge there were no orders or directions given by said contractors or any of their superintendents or foremen to wilfully waste or kill time or to increase the cost of said work. Affiant saw no evidence of contractors' men "hiding out" or "keeping in the back" or otherwise wasting time. Affiant says also that there was no more wasting or loss on the part of said contractors' workmen than is usual in construction work of similar magnitude where great care is exercised.

RICHARD Z. DAWSON.

Subscribed and sworn before me and subscribed in my presence by the said Richard Z. Dawson this 28th day of November, 1919.

R. W. McCox,  
*Notary Public, Franklin County, Ohio.*

AFFIDAVIT OF CHARLES WALTER BELLOWES.

I, Charles Walter Bellows, of Franklin County, ss:

do hereby certify that Charles Walter Bellows, of lawful age, being first duly sworn, says that he resides at 1239 Arlington Avenue, Marble Cliff, Franklin County, Ohio, a suburb of the city of Columbus, Ohio, and is an architect by profession and a member of the Franklin County Bar Association.

American Institute of Architects, and has been engaged in practice of his profession in Columbus, Ohio, about twenty or twenty-nine years last past; that on or about the 4th of 1918, he was employed by D. W. McGrath & Sons to act as tectural superintendent of the construction work then being taken by the said contractors at Camp Sherman, Ohio, and continued in the said employment until about November 22, 1918; that the affiant was taken ill with influenza, and, because thereof, was unable to continue with said work; that while so employed he resided at Camp Sherman, Ohio, and was daily over and above the work of the said contractors.

Affiant further says that on entering the said employment he was instructed by D. W. McGrath and Frank J. McGrath that the said construction work was done as rapidly and efficiently as possible and without unnecessary delay or waste, and that the affiant continued working under such instructions throughout the time of his employment, and endeavored to faithfully observe the same.

Affiant further says that said contractors and their superintendents and foremen at all times while he was on said work endeavored to do the same in a good and workmanlike manner, and as rapidly as possible; that said contractors exercised unusual efforts to expedite the work and with that end in view had the several superintendents and foremen hold noonday meetings. At these day meetings the several superintendents and foremen stated the respective requirements as to men and materials, and reported the progress being made in the work. In this way the entire work was harmonized and coordinated and the morale and efficiency of the men greatly improved. A stenographic report of such suggestions and requests was made and typewritten statements thereof were delivered to the respective foremen and superintendents for their guidance. Each and all of the said superintendents and foremen heartily cooperated in carrying out the instructions so given.

Affiant says that never, at any time while he was on the said work, did he see or hear of anything whatever in the way of orders or instructions, or directions to any of the men employed by the said contractors which would tend to promote idleness, waste of time or waste of material, but that, on the contrary, efforts were made in good faith by the said contractors and their several superintendents and foremen to induce the men under them to perform their work well and rapidly. Affiant further observed that said contractors, whenever a foreman proved incompetent, discharged said foreman and that men employed as carpenters who proved inefficient were removed and placed at work as laborers.

Affiant says that the said contractors instructed the foremen to use discarded material and lumber unfit for siding and for the construction of sub-flooring and other purposes for which said lumber was fit, and that in this, as well as in other ways, unnecessary waste of material was avoided.

Affiant further says that during the time that he was on the said construction work he saw and heard nothing whatever to indicate that the men employed by the said contractors were instructed to "hide out" or "get in the clear" or to stay away from



the men did, in fact, hide out or willfully slow up the

CHARLES WALTER BELLAWS.

before me and subscribed in my presence by the said  
ter Bellows this 28th day of November, 1919.

R. W. McCoy,

*Court of Common Pleas, Franklin County, Ohio.*

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AFFIDAVIT OF SAMUEL P. BAIRD.

io,  
in County, ss:

Baird, of lawful age, being first duly sworn, deposes  
t he resides at 315 West Ninth Avenue in the City of  
hio; that he is a civil engineer by profession; that he  
n the city of Columbus for 10 years last past and has  
l in the practice of his profession as civil engineer for  
t past, and that he is the Samuel P. Baird who  
l signed the letter dated January 20, 1919, addressed  
ntendents, foremen, and other employees, signed D. W.  
Sons by this affiant as general superintendent, which  
n evidence in the hearing before Subcommittee No. 2  
Committee on Expenditures, War Department, House  
atives, at Columbus, Ohio, November 1, 1919, in con-  
and as a part of the testimony of one W. F. Gunther,  
ppears on pages 731 to 733 of the transcript of said  
timony.

her says that about the month of May, 1918, he was em-  
W. McGrath, contractor then engaged in construction  
p Sherman, Ohio, as superintendent in charge of road  
construction at Camp Sherman, Ohio, for the said con-  
that affiant continued in his said employment until the  
aid McGrath at Camp Sherman was completed, except  
of about six weeks, when affiant was transferred to  
ervising engineers in preparing surveys and plans for  
of Camp Sherman; that affiant resided part of the time  
rman and part of the time in Chillicothe, and was daily  
nd about said camp and that affiant's duties were such  
rom day to day in every part of the said camp.

time during the said period did affiant ever see or hear  
tever indicating any attempt on the part of the said  
slow up the construction work or to increase the cost  
cause unnecessary waste of material; that, on the con-  
as affiant observed, said contractor and all the superin-  
formen employed by the said contractor apparently  
n good faith to proceed with the work as rapidly and  
the circumstances and conditions permitted.

aid contractor, while engaged in the construction work  
e to the extension of the camp, had noonday meetings  
y for all the general foremen, for the purpose of pro-  
porale and efficiency of the men employed by the said  
exchange ideas and secure effective cooperation in the

different departments of the said work, and that affiant attend said meetings and observed that others having charge of other departments of the said work cooperated to speed up the construction work undertaken by the said contractor and secure its efficient completion.

Affiant did observe from time to time that waste of material occurred, due to the fact that the military truck drivers, who were under the orders or direction of the contractor or of his employees, would sometimes unload and dump cement, nails, lumber, and other material where the said truck drivers might happen to be at the time for quitting work, regardless of whether such materials were protected from exposure to the weather and also damage from other causes; that in such instances no attempt was made to notify the superintendents or foremen in charge of the work, and it was impossible for the contractor to get other trucks to move said materials the day following.

Relative to the letter hereinbefore mentioned, affiant says that he prepared the said letter in good faith; that about the time of writing the said letter affiant had just been made general superintendent of the said contractor's work in said cantonment; that said letter was issued to the general foremen, with instructions to read the same to their subforemen and men employed, so as to secure greater efficiency in the said work, and affiant says that during all the time he was employed by the said contractor in the said cantonment affiant endeavored to have the men under him avoid waste of material and to avoid, also, waste of time, and gave frequent orders and instructions, as well as appeals to the men, to prevent waste and destruction of material and waste of time. Affiant observed, also, throughout the said period of affiant's connection with the said cantonment that Alfred Carr, affiant's predecessor as general superintendent of the said contractor, at all times endeavored to prevent waste of material and waste of time, and insisted that the men under him act diligently and faithfully.

SAMUEL P. BAIRD

Sworn to before me and subscribed in my presence by the said Samuel P. Baird this 25th day of November, 1919.

[SEAL.]

CARY W. BOWERS,

Notary Public, Franklin County, Ohio.

STATE OF OHIO,

*Franklin County, ss:*

C. H. John, being duly sworn, deposes and says that he resides at 534 City Park Avenue, in the City of Columbus, Ohio, and has resided in said city for more than 25 years last past; that he is a bookkeeper and accountant, and has been engaged in said occupation for more than ten years; that along about the 21st day of May, 1918, he was employed by D. W. McGrath, general contractor, of Columbus, Ohio, as an accountant in general charge of the books of said contractor in connection with the Camp Sherman work, and continued in that employment until the 31st day of May, 1919; that in connection with his duties in said employment he was directed to act as field auditor to supervise the accounting in connection with the work undertaken by said D. W. McGrath in connection with the Camp Sherman, Ross County, Ohio, and engaged and continued

ment until about the 1st day of June, 1919, at which time he left said employment.

Carl Watts, of Columbus, Franklin County, Ohio, was furnishing teams for hauling in connection with the said work and was discovered to have reported teams engaging, which, in fact, were not so engaged, and said Watts as of such false reports procured money to the amount of over twenty-one dollars and thirty cents (\$321.30) from D. W. McGrath, and said Watts was compelled by Major J. W. Low, constructing quartermaster at Camp Sherman, and J. H. Mayer, chief Government time-inspector and affiant, to return of the said sum of \$321.30 so wrongfully obtained. Watts procured the said sum by acting or professing to act as agent for one C. J. Breckenridge, whose name he caused to be put on the pay roll as the owner of certain teams, and reported to be engaged in the said construction work, when in fact he was not so engaged. Said Watts, as the agent of the said contractor, procuring the money reported by him to be due her.

Watts was immediately discharged by the said contractor at the discovery of said wrongfully procuring of the said sum from the Government of the United States was immediately returned by the said contractor for the money so procured by said Watts, said sum of \$321.30 being deducted from the subsequent pay of the said contractor and credited to the Government of the United States.

Affiant further says Edward E. Heald, of Columbus, Ohio, was made use of by the said D. W. McGrath as bookkeeper on the work at Camp Sherman during the time that affiant was engaged in the said work as field auditor, until about the 25th day of January, 1919. As part of the duties of the said Heald to keep the books of account for the said work, to receive vouchers and funds of the said contractor and deposit in the bank, and until about the 3rd day of September, 1919, said Heald acted also as cashier or disbursing officer for the said contractor. In the latter part of January or early in February, 1919, affiant was shown a letter written by Heald addressed to D. W. McGrath, Columbus, Ohio, copy of which is hereto attached, wherein Heald is thereupon directed to make an examination and audit of the accounts kept by the said Heald in connection with the said work at Camp Sherman. Affiant was assisted in the said audit by J. H. Mayer and Lang Johnson. On examining the books, accounts, and vouchers kept by the said Heald, affiant and his said assistants discovered that the said Heald had appropriated to his private use and embezzled sums of money belonging to the said contractor amounting to about fifteen hundred and twelve dollars and thirty cents, which included in the aggregate amount of the said embezzlement approximately \$1,512 was the sum of \$321.30, which said Watts had been compelled, as hereinbefore set forth, to return to the said contractor.

On or about the month of March, 1919, the said Heald was arrested on a charge of embezzlement, and preliminary hearing on the same was held in police court of the city of Chillicothe, Ohio, before J. H. Mayer, Walter A. Storey, and said Heald was thereupon bound over to the grand jury of Ross County, Ohio, on said charge. Heald appeared and testified as a witness both in said preliminary hearing and before the said grand jury and presented to the said



examining magistrate and to the said grand jury, the evidence of said Heald's embezzlement and shortage in his accounts; that the said grand jury was investigating the said charge against said Heald, said Heald and his counsel appeared before the court of the Court of Common Pleas of Ross County, Ohio, and applied for leave for said Heald to appear before said grand jury and testify in the said matter and was permitted to appear and testify before the said grand jury. No indictment was returned against said Heald.

Affiant ever since the first day of June, 1919, has been employed in business as a public accountant in the city of Columbus, Ohio.

C. H. JOHN.

Sworn to before me and subscribed in my presence, by the said C. H. John, this first day of November, 1919.

[SEAL.]

WILLIS H. LIGGETT.

Notary Public, Franklin County, Ohio.

STATE OF OHIO,

*Franklin County, ss:*

J. A. Collins, being duly sworn, deposes and says that he is at 2295 North Fourth Street, city of Columbus, Ohio, and has been a resident of said city for more than five years last past; that on the 22d day of January, 1918, he entered the employ of D. W. Mayer, general contractor, Columbus, Ohio, and continued in said employment until the first day of May, 1919, and while in said employment had direct supervision of the pay roll of the said contractor, and worked at Camp Sherman, Ohio, and from September, 1918, acted as cashier and paymaster, in connection with the said work. He further says that in the latter part of December, 1918, George N. Watts, chief time inspector for the United States Government, on the 1st day of January, 1919, at Camp Sherman, told affiant that Carl Watts, who professed to be the agent of one Carrie Breckenridge, and whose name was on the pay roll and carried on the pay roll of the said contractors, as the owner of certain teams engaged in the said work, had, during the months of October, November, and December, 1918, falsely and fraudulently reported certain teams of the said Breckenridge as engaged in the said work, when, in fact, they were not so engaged. That Carl Watts had thereby wrongfully procured from the said contractors sums of money aggregating three hundred twenty-one dollars and thirty cents (\$321.30).

Said Mayer further instructed affiant to withhold any further payment of money to Watts or any further payment of money to said Breckenridge, until affiant was advised by the said Mayer of the amount of money to be deducted and withheld from the pay roll about January 5, 1919. Shortly thereafter said Mayer informed affiant that he had made an investigation and discovered the amount of the money so wrongfully procured by the said Watts to be the said sum of \$321.30, and the said Watts was thereupon discharged, and affiant was instructed to deduct from the money to be paid to the said Watts, as the agent of the said Breckenridge, on the pay roll due about the 5th day of January, 1919, the said sum of \$321.30, and such deduction was made in the following manner:

8th of January, 1919, affiant in the presence of the said said Carl Watts, took out of the envelope containing otherwise would have been due and payable to the said nt of the said Breckenridge, the said sum of three hundred and thirty cents (\$321.30), the said Watts the difference between the amount earned by the said said Breckenridge in the said week ending January the said sum of \$321.30. The said Watts thereupon gave receipt for the said balance. On or about the 14th day 1919, affiant took the said sum of \$321.30, withheld from tts, as aforesaid, into the office of C. H. John, field said contractors and handed the same to the said John, presence of affiant delivered said sum of money, together sum, amounting to about one hundred eleven dollars e said E. E. Heald, the bookkeeper for the said contrac-

reafter in February, 1919, assisted the said John in making and audit of the books of the said Heald and d in the said work, discovered that the said Heald had e deposit slip the said sum of one hundred and eleven-odd had not entered the said sum of \$321.30 on said deposit never deposited the said sum to the credit of the said

J. A. COLLINS.

before me and subscribed in my presence, by the said this 1st day of November, 1919.

WILLIS H. LIGGETT,  
*Notary Public, Franklin County, Ohio.*

#### AFFIDAVIT OF CHARLES H. JOHN.

IO,  
*County, ss:*

John, of lawful age, being duly sworn, deposes and resides at 525 City Park Avenue, Columbus, Ohio; that day of May, 1918, he was employed by Daniel W. McGrath, having charge and supervision of the books and records and accounting of the said Daniel W. McGrath's work then being performed by the said Daniel W. McCamp Sherman, Chillicothe, Ohio. Affiant immediately employment and engaged in the performance of said continued therein until June 1, 1919, being stationed until of May, 1919, at Camp Sherman, Ohio.

s that all accounts and records of the said work except d in the contract made by Daniel W. McGrath, Edward Frank J. McGrath, and John A. McGrath with the s Government dated September 5, 1918, were kept in ily of D. W. McGrath; that deposits were made in the name of D. W. McGrath, checks and all other instrument correspondence were signed in the name and style of McGrath, and that there was nothing incident to or concerning the conduct of the said work so far as affiant observed l that any person was interested as a principal with the



said Daniel W. McGrath in the said business or that said business was not carried on by him solely on his own account.

Affiant further says that at the time that he entered upon said employment there was an account in the Ross County National Bank kept in the name of D. W. McGrath and to the credit of which account were deposited moneys received from the United States Government on account of performance of the contracts prior to September 5, 1918, and disbursements were made therefrom by checks signed D. W. McGrath, and that such account was continued until the work embraced in said contracts prior to September 5, 1918, had been fully completed.

At about the time the contract of September 5, 1918, was entered into affiant opened a new account in the Ross County National Bank in the name of D. W. McGrath & Sons and that such account was carried in the name of D. W. McGrath & Sons during the performance of work embraced in said last-named contract; that no new accounts were opened of the business under the said contract of September 5, 1918, and kept in the name of D. W. McGrath & Sons and that the last-named accounts were kept separately and distinct from the accounts of the said business conducted by Daniel W. McGrath. Disbursements of funds in connection with the said work embraced in the contract of September 5, 1918, were made in the name of D. W. McGrath & Sons and letters of the said contractor in reference to the said work were signed D. W. McGrath & Sons.

CHARLES H. JACK.

Sworn to before me, and subscribed in my presence by the said Charles H. Jack this 28th day of November, 1919.

[SEAL.]

R. W. McCORMACK.

*Notary Public, Franklin County.*

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#### AFFIDAVIT.

STATE OF OHIO,

*Ross County, ss:*

Charles C. Jack, of Chillicothe, Ross County, Ohio, being duly sworn according to law, deposes and says:

I am the cashier of the Ross County National Bank, of Chillicothe, Ohio, and have held such position during the years 1918, 1919.

I depose that, previous to September, 1918, a Columbus, Ohio, contracting concern, doing work at Camp Sherman, Chillicothe, Ohio, carried an account in our bank, in the name of "D. W. McGrath," into which account D. W. McGrath deposited money from his own sources, and from payments made to him by the United States Government, for work done at Camp Sherman.

In September of 1918, another account was opened up in our bank under the name of "D. W. McGrath and Sons," and into this account they deposited money from their own sources, and from the United States Government, for a separate contract which they had entered into for the extension of Camp Sherman.

The account of "D. W. McGrath" was kept open after September 5, 1918, and checks on that account were marked "old work." The two accounts were kept separate, and from my observation

versations with the McGrath's, it appeared that the "McGrath" account represented transactions under the first contract with the Government, and the account of "D. W. McGrath" represented work under the second contract, which covers the construction of Camp Sherman. The witness saith not.

CHARLES C. JACK.

Before me and subscribed in my presence this 28th day of August, A. D. 1919.

\_\_\_\_\_  
Notary Public, Ross County, Ohio.

Commission expires July 10th, 1922.

\_\_\_\_\_  
AFFIDAVIT OF FRED W. McCANN.

I, Fred W. McCann, of Ross County, ss:

Fred W. McCann, of lawful age, being first duly sworn deposes that he resides at 826 Linen Avenue, Columbus, Ohio; that he is forty-six years of age and has lived in the said city of Columbus since 1906; that he is now and has been since November 1917, Secretary of the Columbus Real Estate Board of Columbus, Ohio. Affiant further says that in the period between September 1917 and the outbreak of the war; he worked for five years as an assistant secretary of The Young Men's Christian Association of Columbus, Ohio, and in charge of the educational and social work of the said association. In 1917 he entered the employ of A. Bentley & Sons Company, at Camp Sherman, Ohio, as assistant to the general superintendent, and continued in the employ in connection with the said Bentley's contract with the United States Government at Camp Sherman, Ohio, and also at Camp Sherman, Florida, until March 1, 1918. Affiant then returned to Columbus, Ohio, and entered the employ of D. W. McGrath about April 1, 1918, at Camp Sherman, in the capacity of assisting the general superintendent in procuring materials and equipment for the construction work, and was so engaged until about May 15, 1918, when he became assistant superintendent of The Hunkin-Conkey Company, in the construction of the United States Government's Ordnance Depot east of Columbus, Ohio. Affiant continued in the employ of the said company until September, 1918, when he was again employed as assistant to the general superintendent for D. W. McGrath, on the construction work at Camp Sherman, Ohio, under the contract of September 5, 1918. Affiant continued to act as assistant to the general superintendent of the said last-named company until about the latter part of October, 1918.

Affiant read the transcript of the testimony of Carl M. Watts, given and examined as a witness before the Subcommittee No. 2 of the Committee on the House of Representatives on Expenditures of the War Department, taken at the examination by the said committee, conducted in Columbus, Ohio, on the 29th day of October, 1918. Affiant's attention has been directed specially to that portion of the said testimony of the said Watts appearing on pages 1 to 10 inclusive, and also to that portion of the said testi-



mony appearing on pages 139 to 141, both inclusive, of transcript.

Affiant says that when he was acting as assistant superintendent in the construction of the said interior storage depot at East bus, Ohio, the teams of the said Watts were employed on work, and affiant found said Watts' services to be so unsatisfactory in so many ways that affiant did not want him employed at Camp Sherman on the work when affiant became assistant to the superintendent of D. W. McGrath & Sons, and affiant then refused to the employment of the said Watts and his teams on Camp Sherman work until the teamsters' strike occurred. It was necessary to procure the teams then controlled by said contractor. Said Watts came to the Camp Sherman work with the distinct understanding that he would not bring saddle horses and that the teams were not then needed. Notwithstanding this, the said Watts brought to Camp Sherman about a half dozen saddle horses. Affiant and his superior, Mr. Carr, thereupon repeatedly ordered him to take them away. Finally, however, the said Watts succeeded in getting two or three saddle horses on the pay roll after the contractor was unable to hire any more in Chillicothe.

Affiant further says that the alleged conversation which said Watts testified before the said Committee that he had had with the contractor appearing on pages 129, 130, and 131 of the transcript, never in fact occurred, and affiant did not say to the said Watts on the occasion referred to by Watts in his said testimony at the time of the employment of Watts, "You are a little too friendly with the contractor on the west side of it"; that affiant never made any such statement to Watts, at that time and place or at any other time and place; that the said testimony of the said Watts with respect to the alleged conversation is absolutely false.

Affiant further says that he did not, at the said time and place or at any other time and place, say to the said Watts, in words, substance, or effect, the following, viz. "Now you are going to put them on here with these Government officials" (referring to the saddle horses), "they get around fast enough as it is, you can't put nothing over with those fellows on horses." Affiant says that the said testimony of the said Watts in that regard is absolutely and unqualifiedly false. Affiant further says that the said Watts did not say to him, on the occasion of the said alleged conversation or at any other time and place, either in words, substance, or effect, the following, viz. "I don't care anything about what you can put over. I want to hire the horses."

Affiant further says that he never at any time had any conversation with the said Watts in regard to an arrangement or understanding whatever relative to a division of the price for the saddle horses or the amount to be paid for them; that affiant was not on the occasion of the said alleged conversation testifying to the said Watts in his testimony with reference thereto appearing on page 131 of the said transcript say to the said Watts, that the said Watts, "would split up with them on the saddle horses and would turn Fisher down." Affiant says that he never made any statement to the said Watts or anyone else, either in words, substance, or effect, and that he never at any time or on any occasion made any proposition or suggested any arrangement or understanding whereby there would be a division with him or any

monies received by the said Watts or anyone else from out of the United States on account of any of the work at Camp Sherman, Ohio; that neither directly nor indirectly, by means, or otherwise, did affiant ever make any corrupt arrangement into any corrupt arrangement of any kind or with the said Watts or anyone else with reference to the work at Camp Sherman, Ohio, or anywhere else. Affiant further testifies that the testimony of the said Watts relative to the said statement last referred to is absolutely false and untrue.

Affiant says that at the time he was in charge of the said work there was not an excess of teams employed on the work; on the contrary there was a shortage of teams, due to the fact that more was being paid in and around Chillicothe than the United States Government would permit the contractor to pay on the said Camp Sherman work, and that at that time there was an urgent need of teams to complete the construction of the camp during the setting in of bad weather.

Affiant says that he was never at any time employed as a stenographer in the office of the said A. Bentley & Sons Company and was promoted from stenographer to foreman, as testified by the transcript on page 140 of the said transcript.

Affiant says that never at any time while he was employed by Daniel W. McGrath work were any orders issued or given, directly or indirectly, directing him to slow up the said construction work or to increase the cost thereof or to employ more men and teams than were needed on the said work; that affiant never gave or caused to be issued or given, but that on the contrary a reasonable effort was made to prevent unnecessary waste of material.

Affiant testifies to this affidavit freely and voluntarily in vindication of the truth, which has never before been assailed or questioned.

FRED W. McCANN.

Subscribed before me and subscribed in my presence by the said affiant on this 2d day of December, 1919.

CARY W. BOWERS,  
*Notary Public, Franklin County, Ohio.*

AFFIDAVIT OF FRANK A. WESTKAMP.

*County, ss:*

Frank A. Westkamp, of lawful age, being first duly sworn, deposes that he resides at 1088 Miller Avenue, in the city of Columbus, Ohio; that he has lived in said city for almost thirty-six years last past; that he is a general contractor and carpenter; that in the latter part of the year, 1917, he was employed by Daniel W. McGrath, of Columbus, Ohio, as a general contractor on Camp Sherman work, as a foreman, and immediately entered upon the performance of the construction work then undertaken by the said McGrath; that prior to being employed by the said McGrath as a foreman on said Camp Sherman work affiant was in the employ of Daniel W. McGrath for approximately eight years, during which time he performed the general contracting work of the said Daniel W.



McGrath. Affiant continued in the said employment as general foreman in Camp Sherman construction work for a period of approximately nine months from the latter part of November, 1917, the performance of his duties as general foreman had supervised the said Daniel W. McGrath of the construction work on the rifle range in November and December, 1917.

Affiant says that he has read that part of the transcript of testimony of Carl M. Watts, given at Columbus, Ohio, on the 29th of October, 1919, before Subcommittee No. 2 of the Select Committee on Expenditures, said subcommittee being comprised of Mr. John C. McKenzie (chairman), Hon. Robert C. McCulloch, and Frank E. Doremus. Said portion of the said transcript exhibits and read by affiant being pages 141, 142, 143, 144, and 145.

Affiant says that the said Carl M. Watts was employed by Daniel W. McGrath in the said construction work at Camp Sherman as foreman of a number of teams engaged in said work and that affiant. Affiant further says that there were not more teams engaged on the said work on the said rifle range than were necessary to do and perform the said work, and that the said Watts did not push the said affiant at that time or at any other time that there were more men sent to him, the said Watts, than were needed on the said rifle range work.

That affiant at the said time and place, or at any other time or place, did not make to the said Watts any of the following statements, viz: That affiant did not know what to do; that affiant was dodging around to keep things going on the pay roll; that affiant did not know what to do; that affiant was staying over in town as long as he could; that affiant was staying over at town as much as he could stay away from the fellows; that affiant didn't know what to do; that he didn't know what to do himself—"just hide them around the rifle range" meaning the men and teams engaged in the said rifle-range work. Affiant further says that neither in words, substance, or effect, were any such statements made by affiant to said Watts at the said time and place, or at any other time or place, and that no conversation as detailed by the said Watts as appears in said testimony on said pages 142 to 145, inclusive, ever occurred. Affiant further says that neither in the said alleged conversation with the said Watts, or at any other time, did the said Watts say to affiant in words, substance, or effect, that he, the said Watts, did not want to hide them around, referring to the men or teams engaged in the said rifle-range work.

Affiant further says that said contractor, Daniel W. McGrath, ordered and directed to push the construction of the said rifle range as rapidly as possible, regardless of weather conditions. Affiant says that the said contractor and the men and teams employed by him were engaged in the said work in November and December, 1917, at the time were at work when the temperature was far below the freezing point, and even below zero, at one time going as low as 20 degrees below zero, Fahrenheit.

Affiant says that the said construction work on the said rifle range was pushed and carried through just as fast as it was possible to do and perform the same under the conditions then existing. Affiant says that a large number of men—between 2,000 and 3,000 soldiers—were detailed from Camp Sherman to assist the said contractor in

the said rifle range on account of the urgency and need of the said rifle range at the earliest possible time; with reference to that part of the said construction work part thereof were any orders, instructions, or directions at or any other foreman or superintendent in the employment of Daniel W. McGrath directing the men employed by him at Camp Sherman to slow up the work; that, on the instructions were made by the said contractor and by his superintendents, so far as affiant observed, to perform all the work on work at Camp Sherman in good faith and without delay and waste and at as low a cost as practicable. Affiant says that there has been exhibited to him and he has read a portion of the transcript of the testimony of one E. E. McGraw on the said committee on the 29th day of October, 1919, on pages 317 and 318, relative to alleged instructions to the said contractor, McGrath, to keep men engaged on the work who were not needed on the same, so as to increase the cost thereof. That neither Frank J. McGrath nor any other employee of Daniel W. McGrath acting as superintendent or foreman issued or gave or directed to be issued or given any instructions or directions to affiant or any of the employees of the contractor engaged in the said work at Camp Sherman to keep men who were not needed in the said construction work, or men who were not needed in the said construction work from the work, in order that idleness on their part be observed. Affiant says that so far as he has knowledge, no instructions were ever given by the said Frank J. McGrath in authority on the said construction work under said contract, on the contrary, affiant was instructed by the said Frank J. McGrath to discharge men who were not needed on the said work, to push the work as rapidly and do the work as efficiently as possible, and affiant did, in fact, from the said contract discharge men who were not needed on the said work who were not capable and efficient carpenters and

FRANK A. WESTKAMP.

before me and subscribed in my presence by the said Frank A. Westkamp this 25th day of November, 1919.

R. W. McCoy,  
*Notary Public, Franklin County, Ohio.*

AFFIDAVIT OF ANSON H. MICKEY.

*County, ss:*

Anson H. Mickey, of lawful age, being first duly sworn, says that he is a resident of the Township of Franklin County, Ohio, just outside of Columbus, his post-office address being Station E, Columbus, Ohio, and that he has lived at said place for the past; that he was employed as section foreman for Daniel W. McGrath, having charge of sections DD and CC of the rifle range at Camp Sherman, Ohio, and in which work the sections were built, which are referred to on page 1005 of



the transcript of the testimony of W. B. McCorkle, given before Subcommittee No. 2 of the Select Committee on Expenditures in the War Department, of the House of Representatives. Affiant entered the performance of said duties in the month of October, 1918, and continued engaged therein until Christmas Eve, 1918. Affiant testified that one of the subforemen under him was George Keeney, and that on page 1006 of the said McCorkle's testimony, and that he was also under affiant as subforeman Harry L. Brown, of 1215 Center Street, Columbus, Ohio.

Affiant further says that the 20'x20' buildings referred to in the said McCorkle were built by first having the frame lumber of proper size at the planing mill and distributed to the various building sites. The sidings thereof were 12-inch boards nailed vertically. The framework and gable ends, including the siding and sheathing, were constructed on the ground and then erected in place. The buildings were so constructed in order to save time and cost of construction, and a considerable saving of time was thereby effected. A further saving of time and cost in construction was effected by affiant organizing the men under him in gangs, giving to each a specific part of the work and having the foreman of each gang direct the men under such foreman instructed as to the particular work to be done by them, and in the construction of the said buildings, lumber from the construction of sections AA and BB (see plan of section), as well as the short pieces of siding, were used to advantage in the construction of the said buildings.

Affiant further says that under orders from the construction superintendent's office, transmitted through said contractor's superintendent to affiant, affiant was instructed to push the construction of the said buildings as rapidly as possible, but after the armistice was signed orders were issued to tear down a portion of the buildings which were then in process of erection and uncompleted, and affiant did proceed to have such buildings torn down and the material salvaged, the same being cut up into marketable lengths.

Affiant further says that he never at any time issued any orders, instructions, or directions to any of the men employed by the contractor or engaged in the said construction work to slow down the work or to spend any part of the time in loafing or idleness, or to do anything whatever that would tend to delay the said construction work, but that, on the contrary, he issued orders and instructions from time to time to hurry up the work and endeavored to avoid waste of time and waste of material. Affiant further says that when he caught a man loafing he promptly discharged him. Affiant also says that, so far as he observed, there was never any attempt on the part of any of the superintendents or foremen engaged in the M. Grath's work to slow up the work or to waste time or material, but that, on the contrary, so far as affiant observed, the superintendents and foremen of the said contractor endeavored to have the work done as quickly and efficiently as possible.

Affiant further says that the said George Keeney, the subforeman under affiant in said work, endeavored to promote the efficient performance of said contractor's work and to avoid waste of time and material, and that the said Keeney apparently was honestly and faithfully endeavoring to perform his duties as foreman.

ANSON H. M.

before me and subscribed in my presence by the said key this 26th day of November, 1919.

W. G. BROSSMAN,  
*Notary Public, Franklin County, Ohio.*

AFFIDAVIT OF HARRY L. BROWN.

O,  
*County, ss:*

Brown, of lawful age, being first duly sworn, says that he is a foreman at 600 Carpenter Street, Columbus, Ohio; that he was foreman by the contractor, Daniel W. McGrath, in the work at Camp Sherman, Ohio, and acted as subforeman H. Mickey in the construction of sections DD and has read the affidavit of said Anson H. Mickey sub- and that the facts stated therein are true, as this believes.

also that he never received and never gave any orders, or directions of any kind or character whatever to slow unnecessarily increase the cost thereof, or to waste material; that, so far as affiant observed, every re- was made by the said contractor and the superintend- men employed by him to perform the work faithfully, as rapidly as possible; that affiant himself endeavored en under him work steadily and faithfully and to avoid time and material; and that the said men under him o work.

HARRY L. BROWN.

before me and subscribed in my presence by the said wn this 25th day of November, 1919.

W. G. BROSSMAN,  
*Notary Public, Franklin County, Ohio.*

O,  
*County, ss:*

Keeney, of lawful age, being first duly sworn deposes that he resides at 814 Court Street, city of Portsmouth. s lived there for nine years last past, and that he is y trade and has followed said calling for twenty years t he was employed by D. W. McGrath in construction p Sherman in October, 1918, and continued in that and work until the twenty-fourth day of December, was employed as and acted as a foreman under Anson d had charge of the crew in which one W. B. Mc- testified before the Subcommittee No. 2 of the Select Expenditures in the War Department of the House of es, and has had read to him that part of the testimony cCorkle shown on pages 996, 997, 998, 999, 1000, 1001, 005, 1006, 1007, 1008, 1010, 1012, 1012, 1016, and 1017, ript of the testimony taken before the said subcom-

that never at any time while he was employed in the ion work did he issue or give any directions or orders



to any of the men employed by the said contractor to "get clear" or to keep busy or to appear to be busy when any of the United States Army were about or around the work, or of the workmen to go to a building and lock themselves in to sleep; that no such orders were ever given by affiant in substance or effect and that affiant never heard of any such being given by any of the superintendents or foremen employed by the said contractor. Affiant further says that he never said said McCorkle to get up buildings as fast as possible so that there would be more work to do, but affiant did endeavor to hurry the work of construction and gave orders to that effect.

Affiant further says that on one occasion, about the time it was first rumored that the armistice had been signed, orders were given to him, through the constructing quartermaster's office, to continue construction work and that such work was then discontinued for one or two days and that while the said construction work was stopped the men employed by the said contractor were put to work in fitting locks, gathering up material and putting stoves in buildings; that at no other time was the construction work continued while affiant was employed on the Camp Sherman work for the said contractor.

That at all times while affiant was engaged on the said work he was ordered and directed by his superintendent, Anson H. McGrath, to push the work as rapidly as possible, keep the men busy, and not let all waste; that he was ordered and directed to save all boards as long as two feet for use as subflooring, and that he transmitted such orders to the men under him. Affiant says that apparently the foremen engaged on the said work of the said contractor were endeavoring to have the work done promptly and efficiently without unnecessary waste of material and time.

Affiant says that he found on one occasion said W. B. McCorkle asleep in one of the buildings on said work and affiant then ordered the said McCorkle to get to work immediately and threatened to discharge him if affiant found him again idling. Affiant says also that the said McCorkle, at the time he entered the employ of the said McGrath, stated to affiant that he was a carpenter competent to do carpenter work. Affiant found on observing said McCorkle work that he was not a competent carpenter and affiant then put said McCorkle to work putting on insulating material and carrying lumber to carpenters; that said McCorkle was to be idle and lazy while engaged in the work and it was not for affiant to devote particular attention to said McCorkle while he was him working. Affiant says that at the time said McCorkle was employed by the said McGrath there was a shortage of labor and it was practically impossible to get sufficient competent men to do the work. It was for that reason only that the said McCorkle was continued in the said employment.

Affiant says also that none of the buildings constructed by the said McGrath were ever blown down.

[SEAL.]

GEORGE W. KEENEY

Sworn to before me and subscribed in my presence by the said George W. Keeney this 29th day of November, A. D. 1919.

JOHN W. HALL

Notary Public, Scioto County,

OHIO,  
*Madison County, ss:*  
 I, plaintiff, *v.* Carl M. Watts, defendant.  
 for a misdemeanor.  
 of common pleas, Madison County, Ohio, of the term  
 1915.  
 of the grand jury of the county of Madison and State  
 and there duly impaneled, sworn, and charged to in-  
 vestigate all offenses whatever committed within the limits  
 on their said oaths, in the name and by the authority  
 of Ohio, do find and present: That Carl M. Watts, alias  
 the 27th day of February, in the year of our Lord  
 one hundred and fifteen, in the county of Madison and  
 aforesaid, unlawfully did utter and publish as true and  
 in fact false, forged, and counterfeited note, which said  
 and counterfeited note is of the purport and of the  
 following tenor, to wit:

LONDON, OHIO, Feb. 20, 1911.

And we jointly and severally promise to pay to the order of  
 the Central Bank of London, Ohio, six hundred and sixty-  
 three dollars and no cents, value received, with interest at 8% per annum, after maturity.  
 annually.  
 I, the undersigned, do hereby promise to pay to the order of  
 the Central Bank of London, Ohio, six hundred and sixty-  
 three dollars and no cents, value received, with interest at 8% per annum, after maturity.  
 annually.  
 I, the undersigned, do hereby promise to pay to the order of  
 the Central Bank of London, Ohio, six hundred and sixty-  
 three dollars and no cents, value received, with interest at 8% per annum, after maturity.  
 annually.  
 I, the undersigned, do hereby promise to pay to the order of  
 the Central Bank of London, Ohio, six hundred and sixty-  
 three dollars and no cents, value received, with interest at 8% per annum, after maturity.  
 annually.

CARL M. WATTS.  
 VERNIE M. WATTS.  
 I. B. BORBOR.

And we jointly and severally promise to pay to the order of  
 the Central Bank of London, Ohio, six hundred and sixty-  
 three dollars and no cents, value received, with interest at 8% per annum, after maturity.  
 annually.  
 I, the undersigned, do hereby promise to pay to the order of  
 the Central Bank of London, Ohio, six hundred and sixty-  
 three dollars and no cents, value received, with interest at 8% per annum, after maturity.  
 annually.  
 I, the undersigned, do hereby promise to pay to the order of  
 the Central Bank of London, Ohio, six hundred and sixty-  
 three dollars and no cents, value received, with interest at 8% per annum, after maturity.  
 annually.

C. C. CRABBE,  
*Prosecuting Attorney.*

No. 982. January term, 1915. Court of common  
 Pleas, Madison County, Ohio. The State of Ohio *v.* Carl M. Watts,  
 defendant, for uttering and publishing a forged note.  
 Indictment found upon testimony sworn and sent be-  
 fore the grand jury at the request of the prosecuting attorney and  
 the grand jury.

John Ellsworth, foreman of grand jury.

John Ellsworth, foreman of grand jury.

John H. Foster, clerk; C. C. Crabbe, prose-  
 cutor.



On this 25 day of Jan., 1915, defendant, Carl M. Watts, a  
and pleads not guilty to this indictment.

John H. Foster, clerk.

Clerk's certificate.

The State of Ohio, Madison County, ss.

I, F. M. Stickley, clerk of court of common pleas in and  
county, do hereby certify that the within and foregoing is a f  
and correct copy of the original indictment, together with  
indorsements thereon, now on file in my office.

Witness my hand and the seal of said court at London, O  
24 day of Nov., 1919.

F. M. Stickley, clerk, by Grace Stickley, deputy.

The State of Ohio, plaintiff, v. Carl M. Watts, defendant.  
982.

This day this cause came on to be heard upon the motion  
new trial, and after full consideration, the court doth over  
same, to which defendant excepts. And thereupon, the d  
being in court in the custody of the sheriff, was informed  
court of the verdict of the jury, and inquired of if he had any  
say why judgment should not be pronounced against him, and  
nothing but what he hath already said.

It is therefore adjudged by the court that the said Carl M  
be imprisoned and confined in the penitentiary of this State.  
at hard labor, but without any solitary confinement, until h  
charged by due process of law, and that he pay the costs  
prosecution for which execution is awarded, to which defen  
cepts.

And the court finding that the defendant has never bef  
imprisoned for crime, either in this State or elsewhere. an  
appearing to the satisfaction of the court that the character o  
fendant and the circumstances of this case are such that l  
likely again to engage in an offensive course of conduct.  
the public good does not demand or require that he shall s  
penalty imposed by law, the court does hereby place the d  
on probation in the manner provided by law.

It is ordered that Chas. L. Weimer, sheriff of this county  
he is hereby, appointed as probation officer in this case.

ROScoe G. HORNBECK.

I, F. M. Stickley, clerk of the court of common pleas in  
said county, do hereby certify that the within and foregoing  
true, and correct copy of the original indictment, together  
indorsements thereon, now on file in my office.

Witness my hand and the seal of said court at London, O  
24th day of November, 1919.

[SEAL.]

F. M. STICKLEY, C  
GRACE STICKLEY, D

SUBCOMMITTEE No. 2 (CAMPS) OF  
THE SELECT COMMITTEE ON EXPENDITURES,  
IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
*Washington, D. C., Monday, November 17, 1919.*

Committee was called for the purpose of introducing certain bills relating to Camp Sherman, in order that they might be taken up at this time.

On. Roscoe C. McCulloch.

Mr. E. Doremus was notified of the meeting, and Chairman McKenzie is absent from the city.

**STATEMENT OF CAPT. E. J. WESSEN.**

Wessen, being first duly sworn, testified as follows:

Q. Captain, you are the same Capt. Wessen who testified before the committee at Springfield, Ill., relating to certain figures purporting to show the cost of construction of Camp Grant, are you?

A. I am.

Q. Have you prepared a similar table in a similar manner relating to the construction of Camp Sherman, at Chillicothe, Mo.?

A. I have.

Q. Have you that with you?

A. I have.

Q. Will you produce it?

A. Yes [producing table].

Q. The table above referred to was marked "E. J. W. Exhibit No. 2," is that correct?

A. The paper that you now produce, marked "Exhibit No. 2," is a statement regarding Camp Sherman, Chillicothe, Mo.

Q. It is.

A. We offer it and ask that it be printed in the report of the committee.

Q. J. W. No. 2 is copied in the record, in full, as follows:)

*Camp Sherman, Chillicothe, Ohio, National Army Cantonments.*

Contractors and subcontractors.	Date of contracts.	Nature of work.	Total cost, exclusive of fee of general contractor.	Total cost, excluding fee to subcontractor.	Fee earned general contract.
A. Bentley & Son...	June 21, 1917	Cantonment...	\$8,345,244.07		\$250,000.00
M. J. Gibbons.....		Heating and plumbing.		\$597,217.11	
Hatfield Electric Co.		Electrical work.		50,550.10	
D. W. McGrath & Son.	Nov. 1, 1917	Alterations, additions, and repairs.	902,520.93		60,000.00
S. A. Esswein Heating & Plumbing Co.	Mar. 25, 1918	Plumbing and heating.		245,858.50	
Erner & Hopkins Co.	do.	Electrical work.		24,126.99	
D. W. McGrath & Son.	Sept. 5, 1918	Additional barracks.	1,405,576.15		68,342.91
Samuel A. Eswein & Co.	Dec. 26, 1918	Plumbing and heating.		118,277.65	
Erner & Hopkins Co.	do.	Electrical work.		40,678.57	
W. H. Ringwald & Son.	July 10, 1917	Road building.	60,336.37		6,033.64
Brewer, Tomlinson & Brewer.	July 7, 1917	do.	121,352.08		12,135.21
J. F. Perry.....	July 10, 1917	do.	66,992.17		7,041.80
A. S. Hecker & Co..		Well drilling.	10,254.86		2,409.94
Total.....			10,912,276.57	1,065,709.04	406,053.56

*Distribution of fees.*

## General contractors:

Cantonment construction .....	\$250,000.00
Alterations, additions, repairs.....	60,000.00
Additional barracks .....	68,342.91
Road building .....	25,210.74
Well drilling .....	2,499.94

\$40

## Subcontractors:

Heating and plumbing.....	81,352.39
Electrical work .....	11,090.12

9

## Total, all fees.....

48

## General contracts, exclusive of fee.....

10,91

## Subcontract exclusive of fee.....

1,06

## Total, all costs.....

12,49

Mr. McCULLOCH. Captain, you directed the preparation exhibit, did you?

Mr. WESSEN. I did.

Mr. McCULLOCH. You superintended it, verified it, and prepared it?

Mr. WESSEN. Yes.

Mr. McCULLOCH. What about the finality of the statement?

Mr. WESSEN. The statement is complete up to date, but is not.

Mr. McCULLOCH. Why?

Mr. WESSEN. The final audit of the Auditor of the War Department will change the totals.

Mr. McCULLOCH. Will, or may?

Mr. WESSEN. May change the totals.

Mr. McCULLOCH. From what source were these figures obtained by you and under your direction?



Q. These figures were obtained from what are known as statement or final reports on file in the Construction War Department.

A. LOCH. And these are the totals taken from said original stated above, under your direction and supervision?

A. They are; yes, sir.

A. LOCH. Captain, did you, in connection with Capt. Reece, formerly an employee of this committee, also prepare certain statement relating to Camp Sherman?

A. I did.

A. LOCH. Have you those with you?

A. I have [producing papers].

Q. The above referred to were marked "E. J. W. Exhibit

A. LOCH. The paper marked "E. J. W. Exhibit No. 3" is

A. A statement showing instances where the general contractor, Bentley & Son Co., at Camp Sherman, failed to take advantage of cash discount allowed by various vendors for material purchased by A. Bentley & Son Co.

A. LOCH. Or material furnished by the Government for which we are to pay and be reimbursed?

A. Yes.

A. LOCH. Are the supporting figures in detail attached to

A. They are attached to the exhibit.

A. LOCH. Let those be identified as "E. J. W. Exhibit

A. The above referred to were marked "E. J. W. Exhibit

A. LOCH. The sheets on long accounting paper marked "Exhibit No. 4" are the supporting figures, are they?

A. They are.

A. LOCH. We ask that Exhibit E. J. W. No. 3 be printed and that Exhibit E. J. W. No. 4 be made a part of the printed report.

A. J. W. No. 3 is copied in the record in full, as follows:)

WASHINGTON, D. C., Septemebr 27, 1919.

Shantland.

Rece.

discounts, Camp Sherman, Ohio.

Enclosed hereto a complete list, showing in detail the various instances where A. Bentley & Son Co., the contractor, and Capt. Ward Dabney, Quartermaster at Camp Sherman, failed to take advantage of the cash discount allowed by various vendors for material used in the construction of the camp.

I have only shown such instances as can be verified by quick inspection of the invoice.

The sheets are numbered 1 to 18 and give the following information:

Loss through A. Bentley & Son's failure to deduct.....	\$7, 786. 76
Loss through Capt. Ward Dabney's failure to deduct.....	1, 100. 45

discounts lost to and including Dec. 31, 1917.....	8, 887. 21
--	------------

Enclosed from attached sheets that the many items comprising the present various and sundry vouchers, all of which are on file at the War Department, Baltimore St., Baltimore, Md., and are accessible at any time it

becomes necessary to use them to substantiate these items. I would that you have them transferred to Washington only when you find it to use them.

3. The contract entered into by and between the contractor and Government provides as follows:

Article II, Item K, fourth paragraph: "The contractor shall take as to the best of its ability, of all discounts available, and when unable to such advantage shall promptly notify the contracting officer of its inability reasons therefor."

Further than this, the contract is so worded as to impress the Government that the contractor has had previous experience on similar work, has organization for the purpose, and is therefore capable of performing all duties pertaining thereto.

Also, I am attaching a copy of letter from The A. Bentley & Son Co. of February 26, 1918, addressed to Lieut. Col. F. L. Case, second paragraph as follows:

"You understand that under the procedure followed there, the Government vouchered us in advance of our paying these bills and we paid them in the manner in which we were instructed to do so."

#### COMMENTS.

In view of the fact that I am unable to locate a notice or copy from the contractor to the contracting officer of his inability to secure discounts, which, had he done so, would no doubt have brought about a change in the way of saving the Government in many cases; and, further, in view of the fact that the paragraph of his letter quoted above, setting forth the method of payment prior to their paying invoice, I can not help but construe that the contractor was negligent in the running of his office to such an extent that the Government to pay more for material and supplies had it been known, and I feel that he, the contractor, should be called upon to reimburse the Government for the loss sustained, amounting to \$7,786.76.

5. Relative to the item of \$1,100.45, being cash discounts lost by the contractor, you are advised that this amount represents items which the contractor was not concerned and which he did not pay, but was handled by Capt. Ward Dabney, constructing quartermaster, and paid for by him with Government funds.

#### COMMENTS.

Of course, you understand that the constructing quartermaster is to supervise every detail of his auditing force, and while I realize that negligence in this matter would be charged to the field auditor, I cannot say that he is accountable. The field auditor is employed by and for the constructing quartermaster, and his acts, or conduct, naturally results as a responsibility to the constructing quartermaster, I do not feel that the constructing quartermaster is liable from a moral viewpoint, yet I should think that the responsibility would rest upon him as an accountable officer from a legal viewpoint.

W. R.

Mr. McCULLOCH. Now, this report is signed by Capt. Reese. Do you know about the authenticity and correctness of the report?

Mr. WESSEN. I verified the figures and compared them with the papers from which they were obtained.

Mr. McCULLOCH. Have you other data relating to the construction of Camp Sherman?

Mr. WESSEN. I have another report on the operation of the commissary at Camp Sherman.

Mr. McCULLOCH. Also prepared and signed by Capt. Reese?

Mr. WESSEN. Also signed by Capt. Reese and prepared under his direction [producing papers].

(The papers above referred to were marked "E. J. W. No. 5.")



LOCH. The paper marked "E. J. W. No. 5" is the one you refer to?

Yes, sir.

LOCH. You assisted in the preparation of this report likewise?

I did.

LOCH. We offer that, and let it be printed in the record

"E. J. W. No. 5" is copied in the record, in full as follows:

WASHINGTON, D. C., September 27, 1919.

T. Chantland.

Reece.

For No. 12-72, A. Bentley & Son Co., \$17,405.56.

For No. 12-109, A. Bentley & Son Co., \$142,165.71.

For No. 12-138, A. Bentley & Son Co., \$9,801.52.

Enclosed hereto the above-mentioned duplicate vouchers for informational purposes.

#### COMMENTS.

The \$17,405.56 represents 5 per cent commission or a fee paid to the commissary Co., of St. Louis, Mo. It appears from the record that the contractor entered into a subcontract with American Commissary Co. of operating commissary. I am unable to locate a copy of the subcontract you have on file a blank form which, in my best opinion, is a duplicate of the original. Assuming that the contract and the copy on file are the same, I can not feel that the contractor was entitled to this payment, unless it can be construed as a part of the general contract, but which was not so construed in this case. It is directed to that portion of the copy of the purported contract with American Commissary Co., on file in your office, wherein it sets forth that "The general contractor is not equipped or able to perform the operating the commissary, and it is therefore consistent for the contractor to let same."

It is directed to the first part of the general contract with A. Bentley & Son Co. wherein it is stated in substance as follows: "That the contractor is not equipped and is fully equipped and has had previous experience in

operating, this payment was made without proper authority, and the Government should reimburse the Government for said amount.

No. 12-109, amounting to \$142,165.71, represents a loss sustained by A. Bentley & Son Co., general contractor, through American Commissary Co. in the operation of the commissary for the period of June 28 to July 7, five months and seven days, and representing a loss of \$657,843 meals served and sold at 30 cents each. The contract was made by and between A. Bentley & Son Co. and the Government for a loss, but it does appear that it was the intention of the contractor to make the contract to operate without loss or profit. I therefore feel that a loss was justified, and certainly not one of such magnitude in this case. The contractor certainly did not have the Government's interests in this matter, and I feel that they should be called upon to bear so great a loss was incurred, their authority for same, what authority were taken to reduce the operating cost or loss, especially so, it appears that the loss sustained began at the very time of the contract. I can only see that the contractor was very negligent and should be held accountable, in so far as he can be made so, under

the above, this, I also see that the constructing quartermaster would be equally culpable, and I think he should be called upon to explain his part in creating this condition to exist. The constructing quartermaster, as the disbursing officer for construction funds, is the only Government official accountable in the true sense of the word, yet it further shows



that little care, if any, was taken by the officials of the Construction Division in Washington in matters of this kind and character. They, too, are and should be asked to explain their reasons for allowing such conditions to exist.

Voucher No. 12-138, \$9,801.52, represents two items, \$1,960.12 and \$7,841.40, total, \$9,801.52—the first item being overpayments made to A. Bentley & Sons Co. by the employees and later refunded to them; the item of \$7,841.40 represents the following:

"Overpayment to employees of the A. Bentley & Sons Co., due to deduct board from their wages at time of final payment."

Your attention is directed to the last-mentioned item, amounting to \$7,841.40. This is a loss sustained by the contractor through his failure to properly safeguard the Government's interests in collecting from his employees amounts which had been sold or let on a credit basis by the commissioning contractor at all times had charge of hiring and firing labor, and the wages paid to the employees by the contractor and not by the Government. The commissary was also operated by the contractor or those delegated by him. If an item had been charged against a man's time the Government had no knowledge of the charge, and therefore did not have a reason to suspect that a deduction should be made. The original voucher is on file at the office of the Chief Clerk for the War Department and bears the signature of A. Bentley & Sons Co. The face of the voucher the contractor admits the loss.

I consider this to be a very clear case of carelessness on the part of the contractor, and there is no doubt in my mind but that the contractor should reimburse the Government.

W. R.

Mr. McCULLOCH. I now offer and ask to be printed in the report of the accountant's report in re D. W. McGrath & Sons, Columbus, Ohio, marked and identified as "Exhibit G. W. S. No. 1."

#### EXHIBIT G. W. S. No. 1.

ACCOUNTANT'S REPORT IN RE D. W. McGRATH & SONS, COLUMBUS,  
CAMP SHERMAN, CHILLICOTHE.

STORCK AND DENGLER (INC.)  
New York, November 6, 1919.

Hon. JOHN C. MCKENZIE,

Chairman Subcommittee No. 2, Select Committee on  
Expenditures in the War Department, Washington, D. C.

#### CAMP SHERMAN.

GENTLEMEN: Pursuant to the instructions of Col. W. T. Chantler, special counsel to the committee, we herewith submit our report of the examination of the books of D. W. McGrath and D. W. McGrath & Sons, Columbus, Ohio, the contractor at Camp Sherman, Chillicothe, Ohio.

#### MAXIMUM FEES.

The first contract that was given to D. W. McGrath & Sons, was a contract was entered into by the War Department in November, 1917, for a maximum fee of \$60,000.

From an examination of a book known as "Fees paid" kept by John, the auditor of D. W. McGrath & Sons, shows fees paid for the work of the contractor \$55,283.32. The books of D. W. McGrath & Sons show on July 22, 1919, the Government paid direct to the Columbus office for \$4,471.63, making total payments on account of fees to July 22, 1919, \$59,754.95, leaving the amount of \$245.05 unpaid to October 31, 1919, the amount of the maximum fee of \$60,000.

D. W. McGrath & Sons received an additional contract which is in their books as "Second contract." This latter contract provided a maximum fee of \$100,000, but this fee was not earned, as the work was completed in April, 1919, and in accordance with the terms of the contract, they

of \$64,981.91 of which amount they have received to date the \$3 leaving an amount of \$8,368.38 unpaid.

## SUBCONTRACTORS' FEES.

paid subcontractors' fees \$9,350.18 as follows:

Contract:		
-----	\$8,557.96	
Hopkins-----	792.22	
		\$9,350.18
Contract:		
-----	2,998.15	
Hopkins-----	1,012.98	
		4,001.13
As paid to subcontractors-----		13,351.31
As paid to the contractors and the subcontractors were as		
D. W. McGrath & Sons-----	\$116,368.48	
-----	11,546.11	
-----	1,805.10	
		129,719.79

of fees paid to both the contractor and the subcontractors are exhibit A.

## FRANK J. M'GRATH, TAKEN FROM CAMP SHERMAN PAY ROLL.

On Sherman pay rolls Mr. Frank J. McGrath has received a salary with November 28, 1917, down to and including September 3, 1918, at the rate of \$4,362.40 as general superintendent, as is evidenced by his report.

According to the exhibit, it will be noted that from November 28, 1917, to March 12, 1918, Frank J. McGrath has received a salary of \$140 per week at the rate of \$20 per diem, and that from March 12, 1918, down to September 3, 1918, he received a salary of \$92.40 based on a rate of \$400 per month.

During the period that Mr. Frank J. McGrath was employed on the books of D. W. McGrath & Sons, of Columbus, he received for the weeks of December 7, 1917, and December 14, 1917, a salary of \$150 per month.

It is interesting to note that on the books of D. W. McGrath & Sons Mr. McGrath was paid with \$35 per week, or \$150 per month for salary, while during his first employment, i. e., up to March 5, 1918, he was receiving \$100 per month, or four times the amount of salary he was receiving at the time of his first employment.

On September 12, 1918, and to the termination of his employment. September 12, 1918, at Camp Sherman salary at the rate of \$400 per month, which was three times as much as he was getting from D. W. McGrath & Sons.

It is interesting to note that Mr. Frank J. McGrath was employed at Camp Sherman on a contract, the pay rolls do not show him receiving any salary. It is noted that he was entitled to none for the reason that on the second day of his employment a member of the copartnership of D. W. McGrath & Sons, and that he was not entitled to any salary.

On the personal account of Frank J. McGrath on the books of D. W. McGrath & Sons shows that from September, 1918, to May, 1919, he was paid with a salary of \$500 per month and with hotel expenses of \$100 per month on Exhibit C of this report.

Mr. McGrath states to us that prior to May 20, 1918, he was not a partner in the firm, that the concern was known as D. W. McGrath and that he was the sole owner and that he did not participate in the profits of the firm. The books show that up to May 20, 1918, the only capital was in the name of D. W. McGrath, but on referring to the first con-



tract as made by the War Department with D. W. McGrath the appears: "D. W. McGrath, a copartnership composed of D. W. McGrath, F. J. McGrath, and John A. McGrath."

This is explained by Frank J. McGrath and E. H. McGrath the time the contract was made it was not noticed by them, that they called the attention of some one in the War Department, and was if the contract, as it then stood was to be sent back to the War Department that this would cause delay in their getting the work of a new contract signed, and for that reason, they permitted the original contract as it was drawn in the name of a copartnership.

This explanation as given by Mr. Frank J. and Mr. E. H. McGrath a plausible one, but the writer is directing same to the attention of a man of this committee, for he is of the opinion that Mr. Frank J. was a copartner, as is shown by the contract made with the War Department although the capital account stood in the name of D. W. McGrath (the fact and the fact that the books have not been closed since April 24, 1918, profits and losses not being determined until May 20, 1918, up to which time the Government work had not been shown in the books, and a final statement of the books having not been made until May 31, 1919, at which time J. McGrath did participate in the fees that were received through this contract, he is not entitled to the salary drawn by him and a on the Camp Sherman pay roll amounting to \$4,362.40, and that this should be reimbursed to the Government.

Exhibit D is a statement showing the volume of business done by McGrath & Sons, together with the cost of the business, their losses and net profits, overhead expenses, and approximate percentage of overhead volume of business done. This statement is subdivided and is self-explanatory. The following shows the subdivisions:

1. Volume of business.
  - (a) Private business.
  - (b) Government business.
  - (c) Total volume.
2. Cost of business.
  - (a) Private business.
3. Loss in private business.
4. Gains in private business.
5. Net profits.
  - (a) In private business.
  - (b) In Government business.
  - (c) Combined profits.
6. Overhead expenses.
  - (a) In private business.
  - (b) In Government business.
  - (c) Combined overhead.
7. Approximate percentage of overhead on volume.
  - (a) In private business.
  - (b) In Government business.

Exhibit E, profit and loss statement for the period April 24, 1915, to May 20, 1918, and from May 20, 1918, to May 31, 1919, showing the losses and net profits, how distributed in their private business, also the profits through the Government contracts, and the percentage of profits distributed to each partner.

On the profit and loss statement, as mentioned above, it is shown that the profits ending May 20, 1918, were \$46,334.29, which were distributed as follows:

85 per cent to D. W. McGrath.....	\$39,483.25
15 per cent to E. J. McGrath.....	\$6,851.04

From May 20, 1918, to May 31, 1919, the profits, exclusive of the Government business, amounted to \$1,244.11, which has not as yet been distributed. The profits from the Government business amounted to \$111,403.63, which were distributed in the following ratio:

D. W. McGrath.....	\$27,850.90
bonus to E. H. McGrath.....	16,710.55
F. H. McGrath.....	27,850.90
J. McGrath.....	11,140.36
J. McGrath.....	16,710.55
John A. McGrath.....	11,140.37

111,403.63

Statement of assets and liabilities as of May 20, 1918, together  
by note.

Statement of assets and liabilities as of August 5, 1919, showing  
capital investments, together with notes.

#### BOOKS OF D. W. M'GRATH.

of record would state that the account appearing on the books  
st account" represents administrative expense, which includes  
ers, bookkeepers, clerks, consulting engineers, postage, tele-  
h, rent, and all other minor expenses.  
ount" represents their profit and loss account.

#### SALARIES.

drawn by the individual members of D. W. McGrath prior to  
the Government contract, were as follows: D. W. McGrath,  
; E. H. McGrath, \$150 per month and bonus; F. J. McGrath,  
J. A. McGrath, \$125 per month.  
submitted.

STORCK & DENGLER (INC.).,  
GEO. W. STORCK, *President*.  
JOHN C. DENGLER, *Secretary*.

#### EXHIBIT A.

#### CAMP SHERMAN.

#### *Fees paid D. W. McGrath & Sons.*

Fee .....	\$60,000.00
book shows fee paid.....	55,283.32
9, paid direct.....	4,471.63
	59,754.95
o Oct. 31, 1919.....	245.05
: fee.....	100,000.00
e of.....	64,981.91
leted April, 1919—fee paid to Oct. 31, 1919.....	56,613.53
o Oct. 31, 1919.....	8,368.38
unpaid.....	8,613.53
fees:	
act—	
ein.....	8,557.96
& Hopkins.....	792.22
	9,350.18

ms, amounting to \$44,561.45, were returned to the business for the  
g a "sinking fund" to be used for bad debts.

*Fees paid D. W. McGrath & Sons.—Continued.*

Second contract—	
Essenwein .....	
Erner & Hopkins .....	
Total fees paid to subcontractors .....	
Total fees paid:	
D. W. McGrath—	
First contract .....	
Second contract .....	
Subcontractors—	
Essenwein, first and second contracts .....	
Erner & Hopkins, first and second contracts .....	
Total fees paid .....	
Items still unpaid on first fee:	
Deductions American Railway Express .....	
July 2, 1919, error .....	
793 sacks, at 10 cents .....	
Overpayment final fee Erner & Hopkins .....	
Insurance premium .....	

**EXHIBIT B.***Salary of Frank J. McGrath, as general superintendent, taken from Sherman pay rolls.*

Nov. 28 to Dec. 4, 1917, 7 days at \$20 per day .....	
Dec. 11, 7 days at \$20 per day .....	
Dec. 18, 7 days at \$20 per day .....	
Dec. 25, 7 days at \$20 per day .....	
Jan. 1, 1918, 7 days at \$20 per day .....	
Jan. 8, 7 days at \$20 per day .....	
Jan. 15, 7 days at \$20 per day .....	
Jan. 22, 7 days at \$20 per day .....	
Jan. 29, 7 days at \$20 per day .....	
Feb. 6, 7 days at \$20 per day .....	
Feb. 13, 7 days at \$20 per day .....	
Feb. 19, 7 days at \$20 per day .....	
Feb. 26, 7 days at \$20 per day .....	
Mar. 5, 7 days at \$20 per day .....	
Mar. 12, 6 days at \$400 per month .....	
Mar. 19, 6 days at \$400 per month .....	
Mar. 26, 6 days at \$400 per month .....	
Apr. 2, 6 days at \$400 per month .....	
Apr. 9, 6 days at \$400 per month .....	
Apr. 16, 6 days at \$400 per month .....	
Apr. 23, 6 days at \$400 per month .....	
Apr. 30, 6 days at \$400 per month .....	
May 7, 6 days at \$400 per month .....	
May 14, 6 days at \$400 per month .....	
May 21, 6 days at \$400 per month .....	
May 28, 6 days at \$400 per month .....	



Frank J. McGrath, as general superintendent, taken from Camp Sherman pay rolls—Continued.

at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40
at \$400 per month.....	92.40

4,362.40

Salaries were drawn by Mr. Frank J. McGrath for the period as shown on the time of the first contract.

Frank J. McGrath, drawn on the books of D. W. McGrath.

Salary.....	\$35.00
Salary.....	35.00
	70.00

#### EXHIBIT C.

Frank J. McGrath, on books of D. W. McGrath & Sons, Columbus, Ohio.

Salary, 1918–May, 1919, \$500 per month.....	\$4,500.00
	1,185.07
	5,685.07

General expense account, D. W. McGrath & Sons.

Salaries of superintendent and employees, not allowed by Government.....	\$2,784.39
Salaries.....	590.07
	150.00
Salaries of C., Salvation Army, Mrs. Newman.....	1,050.00
Postage, press, local and long-distance telephone, electric light, hospital, notary public, expenses of guards.....	200.87
	4,775.33

#### EXHIBIT D.

D. W. McGrath & Sons, Columbus, Ohio.

Camp Sherman.

	Volume.	Cost.	Losses.	Gains.	Net profit.	Over-head expenses.	Over-head on volume.
15, to	\$1,682,301.52	\$1,635,967.23	\$98,587.44	\$144,921.73	\$46,334.29	\$71,392.46	Per d. 4.25
18, to	406,571.94	403,519.52			1,244.11	30,656.73	.75
busi-	2,088,873.46	2,039,586.75	98,587.44	144,921.73	47,578.40	102,049.19	5

## D. W. McGrath &amp; Sons, Columbus, Ohio—Continued.

	Volume.	Cost.	Losses.	Gains.	Net profit.	Over-head expenses.
Government business:						
First contract, Nov. 1-17 to April, 1919.....	1,103,342.99					
Subcontract, May, 1918, to March, 1919 (Essenwein).....	244,513.96					
Subcontract, May, 1918, to March, 1919 (Erner & Hopkins).....	22,634.73					
	1,370,491.68					
Second contract, September, 1918, to April, 1919.....	1,389,920.85					
Subcontract, September, 1918, to March 1919 (Essenwein).....	119,526.65					
Subcontract, September, 1918, to March, 1919 (Erner & Hopkins).....	40,519.58					
	1,549,967.08					
Total Government business.....	2,920,458.76				111,403.63	19,681.65
Grand total.....	5,009,332.22	2,039,586.75	98,587.44	144,921.73	158,982.03	121,730.84

1 Frank J. McGrath's salary and expenses.....	\$5
Interest on borrowed money.....	3
Taxes.....	1
General expenses (details attached).....	4
Trucking not reimbursed by Government.....	2
F. G. McGrath's salary and expenses (details).....	2
Loss by theft "Heald".....	1
Total.....	19

## EXHIBIT E.

Profit and loss (distribution), taken from analysis of revenue books (on details).

## D. W. M'GRATH &amp; SONS, CAMP SHERMAN, COLUMBUS, OHIO.

	Losses.	Gains.	Net profit.	Per cent.	How distributed.	A
Private business:						
From Apr. 24, 1915, to May 20, 1918.....	\$98,587.44	\$144,921.73	\$46,334.29	85	D. W. McGrath (father)	\$3
From May 20, 1918, to May 31, 1919.....			1,244.11	15	E. J. McGrath.....	1
Government business, Camp Sherman.				25	D. W. McGrath.....	2
				15	E. H. McGrath (as bonus).....	1
			111,403.63	25	E. H. McGrath <sup>2</sup> .....	2
				10	F. J. McGrath.....	1
				15	do. <sup>2</sup> .....	1
				10	John A. McGrath.....	1
					Undistributed profits.....	1
Total.....			158,982.03			15

<sup>1</sup> Not distributed.

<sup>2</sup> Returned to the business for the purpose of creating a sinking fund.



## EXHIBIT F.

*Assets and liabilities of D. W. McGrath as of May 20, 1919.*

## ASSETS.

-----	\$1,312.65
National Bank of Columbus-----	4,777.47
of Commerce of Columbus-----	250.00
-----	9,357.72
ated-----	196,797.50
overhead-----	491.24
n-----	1,718.50
McGrath-----	1,400.00
-----	45,784.59
e and fixtures-----	969.30
, and harness-----	1,650.00
machinery repairs-----	91.97
auto expense-----	677.62
ance (unexpired)-----	568.00
els-----	1,591.86
betterments, undistributed-----	8.00
ck-----	1,400.00
etic stock-----	1,100.00
etic Club bonds-----	10,000.00
-----	3,203.25
istributed-----	160.17
-----	23,800.00
-----	4,860.00
-----	2,730.00
-----	400.00
-----	
-----	<u>315,099.84</u>

## LIABILITIES.

ole on contracts-----	141,299.67
-----	26,500.00
ole-----	37,666.20
ce-----	8.12
osition building-----	200.00
ount-----	436.28
-----	\$20,897.08
-----	4,426.97
-----	<u>25,324.05</u>
a (capital investment)-----	83,665.52
-----	<u>315,099.84</u>

rently up to the period of May 20, 1918, the books of account  
 the name of G. W. McGrath, and do not show any copartnership  
 distribution of profits. It will be noted, however, that the con-  
 with the War Department for the building of Camp Sherman  
 dated November 30, 1917, states: "D. W. McGrath, a copartner-  
 of D. W. McGrath, E. H. McGrath, F. J. McGrath, and J. A.

## EXHIBIT G.

*Assets and liabilities of D. W. McGrath & Sons, as of  
 Aug. 5, 1919.*

## ASSETS.

-----	\$1,947.16
National Bank-----	13,490.05
Commerce-----	250.00



*Statement of assets and liabilities of D. W. McGrath, etc.—Continued.*

## ASSETS—Continued.

Contracts executed	-----
Material	-----
Equipment	-----
Office furniture and fixtures	-----
Horses, wagons, etc	-----
Machinery repairs, undistributed	-----
Automobile	-----
Boiler insurance (unexpired)	-----
Sacks and barrels	-----
Warehouse	-----
Columbus Athletic Club stock	-----
Columbus Athletic Club bonds	-----
Auto truck	-----
Real estate	-----
Buildings	-----
Automobiles	-----
Auto truck	-----

## LIABILITIES.

Accounts payable on contracts	-----
Bills payable	-----
Accounts payable	-----
Cost (undistributed)	-----
Sinking fund	-----
Liability insurance	-----
Columbus exposition building	-----
Auto truck	-----
Interest	-----
Profit and loss	-----
Profit and loss	-----
	\$4,426.97
	29,705.98
F. J. McGrath, investment	-----
J. A. McGrath, investment	-----
D. W. McGrath, investment	-----
E. H. McGrath, investment	-----

NOTE.—It will be noted that during this period Frank J. McGrath participated in the profit and that the business is known as D. W. McGrath.

Mr. McCulloch. Are there now here in your hands attached the original documents of the War Department supporting

Mr. Wessen. They are.

Mr. McCulloch. I think I should state for the record that the documents are voluminous, and it would be impractical to put them in the record, but they are a part of the files in the Commercial Division and can be obtained at any time, as they were obtained in the preparation of this report.

That is a correct statement as to those documents, is it?

Mr. Wessen. Yes, sir.

(Thereupon, at 5 o'clock p. m., the subcommittee adjourned subject to call.)

SUBCOMMITTEE No. 2 (CAMPS) OF THE  
SELECT COMMITTEE ON EXPENDITURES IN THE  
WAR DEPARTMENT, HOUSE OF REPRESENTATIVES,

*Monday, December 15, 1919,*

Committee met at 10 o'clock a. m., pursuant to call of the chairman. John C. McKenzie (chairman) presiding. Also present: George C. McCulloch and Hon. Frank E. Doremus.

**JOHN C. MCKENZIE, CHAIRMAN, AND  
FRANK E. DOREMUS, SECRETARY,  
COMMITTEE ON EXPENDITURES IN THE  
WAR DEPARTMENT, HOUSE OF REPRESENTATIVES,  
CITY OF SAN JUAN, P. R.**

Witness was duly sworn by Mr. McKenzie.)

MCKENZIE. Will you please state your full name?

TODD. Robert H. Todd.

MCKENZIE. You are mayor of the city of San Juan, P. R.?

TODD. I am no longer mayor; I am now chairman of the council of administration; that is, they have changed the form of administration of the city to a council of five, and I am the chairman.

MCKENZIE. Are you a native of Porto Rico?

TODD. No, sir; I was born in the neighboring island of St. John, but since I have been 5 years old I have lived in Porto Rico; I consider myself a Porto Rican.

MCKENZIE. Your home is in the city of San Juan?

TODD. Yes, sir; I was naturalized in this country.

MCKENZIE. What is the population of San Juan?

TODD. In the neighborhood of 75,000.

MCKENZIE. Was there a military camp located there during the war with Germany?

TODD. Yes, sir; in 1917, I think it was, called Camp Las Caskas. That is the Spanish name.

MCKENZIE. How many troops were stationed at that camp?

TODD. Twelve thousand; in that neighborhood; it might have been more or less.

MCKENZIE. Were those Porto Rican troops?

TODD. Yes, sir; all of them.

MCKENZIE. Organized into regiments?

TODD. Yes, sir.

MCKENZIE. With the expectation of mustering them into the United States?

TODD. Yes, sir.

MCKENZIE. Do you know whether or not they were ever mustered?

Mr. TODD. No, sir; they were not, because the armistice was just at the time when I understand that those troops from Porto Rico had instructions to embark for the States.

Mr. McKENZIE. But none of them ever left the island?

Mr. TODD. No, sir; with the exception of what they call Porto Rico Regiment; that was sent over to Panama, to the Panama Canal.

Mr. McKENZIE. That is a regiment that has been in existence a number of years?

Mr. TODD. Yes, sir.

Mr. McKENZIE. Were those 12,000 officered by Porto Rican or officers from the United States?

Mr. TODD. Both from the United States and from Porto Rican Americans and Porto Ricans.

Mr. McKENZIE. Some of the officers of the lower grades, some, were Porto Ricans?

Mr. TODD. Yes, sir; we had Porto Rican officers up to lieutenant colonel, but when I said both American and Porto Ricans I meant those of the Porto Rican Regiment who were taken from the United States, of course, taken into the National Army also down there.

Mr. McKENZIE. Now, prior to 1917 had there been any barracks or military establishment at San Juan?

Mr. TODD. Yes, sir.

Mr. McKENZIE. How many troops would that accommodate?

Mr. TODD. A regiment.

Mr. McKENZIE. Only a regiment?

Mr. TODD. A regiment.

Mr. McKENZIE. And the Porto Rican Regiment had its headquarters at San Juan?

Mr. TODD. Yes, sir.

Mr. McKENZIE. That is, the old Porto Rican Regiment?

Mr. TODD. Yes, sir; and also they had a part of the regiment on the mountains at a town called Cayey, a place where they had new wireless towers; wireless stations.

Mr. McKENZIE. Well, now, about what time was it decided to build additional camp facilities there and barracks?

Mr. TODD. It was sometime in July, 1917, when the commanding officer of the Porto Rican Regiment received a cablegram from the War Department instructing him to select a place in or near San Juan suitable for a camp for 7,000 troops; that was the first consideration. I was called into conference in his office about this matter. I went out with him several times to different parts of the island, and, by the way, I will state that these gentlemen, these colonels, had been in Porto Rico for a long number of years and knew the island very well—his name is Lieut. Col. Orval P. Townshend. And they went to different places. He had what he called experts with him in each place, to the grade, etc., of the different places, and at last he selected a site which was ultimately approved by the committee. Even before that camp was selected, which was called Camp Las Caskas.

Mr. McKENZIE. Now, how much land did you take in building that camp, and how did you get title to it—by lease or rent?

Mr. TODD. If you will allow me, I will just state that a commission of citizens was appointed, made up of three members of the cl



ce of San Juan—Insular Chamber of Commerce—three and the mayor—I was mayor then—to take up this matter the colonel solve this matter of the land. Of course, there cities on the island trying to get the cantonment. This reason for it. There was Ponce and other towns who were or it, and, of course, we got busy on this, the committee of per of commerce and myself, and we took in hand the get- a proposition to the War Department, including the land other thing pertaining to the camp. I have in my hand a e document which we presented, signed by those three gen- d myself to Col. Townshend about this matter.

l headed; you have the acreage of the land here and the ich were to be charged for rental. The acreage which we 11 acres. Mind you, this was intended for 7,000 troops. the first order given from headquarters here in Washing- acres of land, and the rental price of that is here stated owner, given alongside of the name of the owner. But clause in this letter which says:

nsular Chamber of Commerce of San Juan wishes to state, that should the Government find the rentals excessive that ke over the leases of the property and turn the same over vernment at a nominal rental, or even free of charge."

derstand that this letter was not taken into account at all an who took charge of the leasing of these properties did lt any of the members of this committee, but went ahead paid exorbitant prices for the leasing of the property.

CKENZIE. Would there be any objection to putting that into the hearings?

REMUS. You mean that letter?

CKENZIE. Yes.

REMUS. No; not so far as I am concerned.

CCULLOCH. May I ask a question concerning it?

CKENZIE. Certainly.

CCULLOCH. To whom was the letter presented?

DD. To Lieut. Col. Townshend.

CCULLOCH. Who represented the Government?

DD. He was the representative of the Government that they to investigate the land.

CCULLOCH. Do you know whether or not he had been in- to look into the matter?

DD. Yes, sir; I saw the cablegram myself.

CCULLOCH. And were you called into conference by him?

DD. Yes, sir.

CCULLOCH. And after that conference this letter was pre-

DD. Yes; he himself counseled me, as mayor of the city.

"You better get up a committee of public-spirited citizens look over the whole proposition to see what a camp would present your propositin in writing."

CCULLOCH. And this letter was presented then?

DD. This letter was presented then.

CCULLOCH. And you say it was disregarded?

DD. Yes, sir; many of its items.

Mr. McCulloch. I have no objection to its going into the  
 Mr. Todd. It is all by headings; we have headings giving location, the communications, gas, water, transportation, light phones, public-service utilities, harbor facilities, water, health, connection with United States, ice and refrigeration, sions, lumber, roads, etc.

(The letter, together with letter accompanying the same, abferred to, are as follows:)

SAN JUAN, P. R., August 22,

Col. O. P. TOWNSHEND,

*Porto Rico Regiment of Infantry, San Juan, Porto Rico.*

SIR: The city of San Juan, through its mayor, municipal council, insular chamber of commerce, has the honor to submit herewith a p for the location of the training camp for the troops to be drafted in Por

*Location.*—The location of the proposed training camp is within the limits of San Juan, lying about 10 kilometers distant from the city in the ward of Seboruco. The camp site itself is situated on a hill, well by cocoanut palms, and wherer there is a constant breeze from the s either side of the camp site the land sloped gradually to flat grounds are exceptionally well suited for the drilling of the men. The dral excellent owing to the hilly formation of the ground and the sandy so camp grounds are composed of the following lands:

Rexach	270	acres
Blanco	17	acres
Antonsanti	70	acres
Antolin Nin	14	acres
Rodriguez Serra	10	acres
Municipality	20	acres

411 acres

In addition to which there is obtainable, to the north of the can quantity of acres that may be required for a further extension of th this property being owned by Mr. W. Borda, who, at the present mo not in the island, and consequently it has been impossible to obtain his to the use of said land, but, having in mind his public spirit, ther doubt that he will readily and gladly allow the use of his property, if it be required by the Government, at very reasonable figures.

*Communications.*—The properties are reached from the military kilometer 74, through the Monte Flores and Seboruco road, as indicated plans of the property attached herewith. It is proposed by the mun to build a road from a point west of the Martin Pena bridge, through lands up to the north to connect with the present Seboruco road. Th railway has a service to the Martin Pena bridge and Rio Piedras, from point the camp can be reached. The American Railroad Co. will build from a point north of the Martin Pena basin to the camp, for the pur hauling material and other necessities.

*Gas.*—The Porto Rico Gas Co. has agreed to run its pipe lines camp, and furnish the required quantity of gas, for which they are at suitably equipped as to capacity and other requirements. The price of present to the quartermaster department is \$1.80 per 1,000 cubic feet, s to be presumed that the gas company will be able to furnish gas to th at this same figure.

*Water.*—Water will be supplied the camp by the municipality of Sa for the first two years free of charge, and thereafter at the rate of 2 c cubic meter of water consumed. In order to do this the municipality Juan will be obliged to install a new electric pump and a filtering ap and also to extend its pipes into the camp at an estimated cost of \$100.

*Transportation.*—In addition to the railroad, which will bring its tra the camp, as above indicated, with the construction of a road by the pality of about three kilometers, making a loop practically around the ment, there will doubtless be plenty of facilities for public traffic, and fo ing merchandise and materials by trucks. San Juan has at present ab automobiles—commonly called "jitneys"—in addition to a great number



cars for passenger traffic. Also a large number of autotrucks owned by the Government for freight traffic. The fare from San Juan to Martin Pena on the cars is 5 cents, and in the "jitneys" 5 and 10 cents. No doubt for an annual 5 cents passengers would be carried to the camp.

**Electricity.**—The Porto Rico Railway Light & Power Co. has agreed to run its lines to the encampment and furnish the necessary light where required, as per letter inclosed herewith, and also at the rates specified therein, which, for 10 cents per kilowatt hour.

**Telephone.**—The Porto Rico Telephone Co. agrees to extend its telephone lines to the encampment at the rates which are charged within the city for telephone service, as per their letter attached herewith.

The inclosed plans of the property will give a clear idea of its area and its location. There are a great many advantages attached to this site. First of all, that it is situated in one of the coolest locations in San Juan would render it especially desirable. The bodies of salt water surrounding it offer excellent facilities for the men. The surrounding land is of such character, as to be within a short distance, most suitable grounds for drilling and maneuvering.

The inclosed photographs, taken from various points, will give, in connection with plans a very graphic idea of the ideal scenery and surroundings, and also of the marked adaptability of the site selected for the particular purpose for which it is intended. In fact it is hard to imagine that a better location could have been found, from every point of view, anywhere in the island, especially one so near a city with the facilities which San Juan has to its disposal. For the information of those who may not be sufficiently acquainted with San Juan and its location, we wish to state that it is the capital of the island of Porto Rico, situated on the north side of the island, with about 65,000 inhabitants. Has railroad connections as far as Guayama on the southern coast, and with Caguas in the center of the island, and is connected with all points of the island by a splendid system of macadam roads.

**Public service utilities.**—In addition to the railroad above mentioned, San Juan has an electric street railway connecting with the town of Rio Piedras. The Corporation also furnishes San Juan and a large portion of the island with electric power with its hydro-electric plant, which has two lines running from Rio Piedras to San Juan; and, in addition, it has a steam plant at San Juan which is used in case of necessity. The Porto Rico Gas Co. has a large plant capable of sufficient capacity to furnish gas to San Juan and its suburbs. The Porto Rico Telephone Co. maintains an up-to-date and efficient service, connecting all towns of the island.

**Harbor facilities.**—San Juan has a land-lock harbor 4 miles long by about 1/2 mile in width, with a 30-foot channel leading to the open sea. Vessels of 24 feet may reach any of the docks or piers and a long bulkhead at San Juan, having ample shed room and railroad tracks, with every facility for handling cargo from vessels direct to railroad cars and coastwise ships. There is a modern coal dock, equipped with electric crane for the handling of coal. There are also a large number of lighters available for the handling of cargo, and towboats. No charge whatever is made to Government ships at any of the docks at San Juan or in any other port in the island, in accordance with their franchises.

The insular government also offers to the military authorities the use of a large number of the sheds and bulkhead, as per letters and photographs attached herewith, free of charge. This shed has a capacity, as indicated, of 22 feet in width by 28 feet in length.

**Water supply.**—The water supply of San Juan is brought from the reservoir at Rio Piedras, where recently electric pumps and filtering plants were installed. At present they can furnish 300,000 gallons per day, but, as indicated before, it would be possible to increase the plant by one-third if the camp is located near this reservoir.

**Climate.**—Climatic conditions here are ideal. The temperature is never very high, the average in winter being 75° Fahrenheit and in summer 81°. The monthly averages for the last 18 years are herewith attached.

**Sanitation.**—To-day San Juan stands as a shining example of modern sanitation. The death rate has been steadily decreasing in the past years. The city is free from epidemics of any sort, and is thoroughly clean in every respect.

**Connection with United States.**—There are at present three steamship companies maintaining a service between the United States and Porto Rico. There are 10 steamers weekly to and from New York, and weekly sailings of freight

steamers to New Orleans. There are also freight lines which call at regularly on the way to and from New York, the West India Islands, and America.

*Ice and refrigeration.*—The capacity of the ice plant at San Juan is per day. Storage capacity for refrigerating purposes is 65,000 cubic feet, divided into five rooms, where different temperatures are maintained. The price of ice is \$9 per ton, delivered, and, as per letter attached, the company will furnish ice at that price at the encampment.

*Provisions.*—Swift & Co., Armour & Co., and Nelson Morris & Co. are representatives in San Juan, who are in a position to bid for the furnishing of all packing-house products, as well as any refrigerated meats that may be required. Beef can also be obtained from the local abattoirs, at a price of 18 cents per pound, delivered at the encampment, as per letter attached. The port of San Juan—which imports three times as much as any other port in the island—is in a position to furnish rice, potatoes, onions, etc., at as reasonable prices as may be obtained in the United States for similar quantities. There is inclosed herewith letters from merchants who have been doing business with the Quartermaster's Department in giving the present prices of such articles.

*Lumber.*—We are inclosing herewith a letter from one of the largest lumber houses here, showing that they can offer from 5,000,000 to 6,000,000 feet of yellow pine lumber on hand at the price of \$55 per 1,000 feet exclusive of tax, also a memorandum showing the sizes on hand.

*Roads.*—The road from San Juan to Martin Peña is macadam with a dirt surface. From there to the present Seboruco site itself, it is of macadam. It is proposed to increase the width of the road where required to 15 feet, and also to construct a loop around the property—a length of about four kilometers—at a cost of from \$20,000 to \$30,000, the municipality making this offer. A letter herewith inclosed.

Other documents attached herewith for your information are: a letter from the American Railroad Co. in regard to the installation of the same in connection with the crossing mentioned therein, the trolley company has agreed to allow the railroad to cross its trucks. The Insular Government will make the necessary change in the road for the same purpose.

The city of San Juan takes pleasure in submitting the proposition for the site after taking the matter up with the owners of the properties, and for the rent they ask a rental per year as follows:

Rexach .....	\$2,000
Blanco .....	2,000
Antonsanti .....	6,000
Antollin Nin .....	1,000
Municipality .....	Free

The Insular Chamber of Commerce of San Juan wishes to state, that should the Government find these rentals excessive, that it will negotiate the leases of the property and turn the same over to the Government at a nominal rental, or even free of charge.

If there is any further information that you may require, we shall be glad to furnish it without hesitation.

In conclusion, we venture to hope that this offer will meet with your consideration, and that, upon examination of the plans and a careful study of the site and exceptional facilities which the city of San Juan can furnish, the Government will decide to establish the cantonment for the drafted Porto Rico in the site which we have proposed, which, as borne out by the facts and information outlined in these pages, we are satisfied will meet the demand of the military authorities for the purpose in view.

Respectfully submitted.

ED. FERRER,  
WALDEMAR LEE,  
DIONISIO TRIGO,  
Committee Chamber of Commerce  
R. H. Todd, Mayor

P. S.—Labor in San Juan and vicinity is plentiful. We are attaching with a letter from the contractor, which gives an idea of the wages of laborers, carpenters, masons, etc. In San Juan there has never been a scarcity of labor, and consequently there will be no difficulty whatever in this score.

FINLAY, WYOMOUTH &amp; LEE (INC.)

*San Juan, P. R., August 21, 1917.*Mr. EDWARD FERRER, *San Juan.*

DEAR SIR: With reference to the training camp for the National Army, we have the pleasure to advise you that outside of our regular stock we can offer between 5,000,000 and 6,000,000 feet of yellow pine lumber now on hand at a price of \$55 per 1,000 feet ex-stock.

Whilst we make this offer without engagement we believe we will have no hesitation in confirming it if accepted within a reasonable time for assortments we can deliver from stock within the next three months.

Respectfully, yours,

FINLAY, WYOMOUTH &amp; LEE (INC.)

WALDEMAR E. LEE,

*Secretary and Assistant Manager.*

Mr. McCULLOCH. Who finally handled the matter of the securing of the land, etc.; the same colonel to whom you submitted this?

Mr. TODD. Well, the colonel sent up the proposition from different towns with figures and photographs, and ultimately it was selected in Washington, I understand, that is the site, that it should be at San Juan; and then they sent down a man from here, a man by the name of Maj. Stewart, and he took charge of the matter of making leases and erecting the building of the cantonments.

Mr. McCULLOCH. So he superseded the Colonel?

Mr. TODD. Yes, sir.

Mr. McCULLOCH. On that work?

Mr. TODD. On that work; yes, sir.

Mr. McCULLOCH. And you say it was Maj. Stewart that disregarded the recommendations of your committee, was it?

Mr. TODD. Absolutely.

Mr. McCULLOCH. The Colonel then did not change his mind?

Mr. TODD. Absolutely not. I understand that the rental prices paid for this land which was secured afterwards—

Mr. McKENZIE (interposing). It was the same land?

Mr. TODD. The same land. Well, they had additional land also, but just the same kind of land. These people were well disposed when we spoke to them about this proposition, and there was a man here, for instance, who charged \$2,000 a year for his land; that was over 200 acres. He said, "I will take nothing for it, but I am asking \$2,000 because I would have to drain it; I would have some expense connected with the land." There was some swamp and he said, "I will have to drain it and will undertake to drain it." I believe there are letters on file in the Chamber of Commerce in San Juan about this matter. That was why he charged \$2,000 a year.

Mr. DOREMUS. What is his name?

Mr. TODD. Rexach.

Mr. DOREMUS. What is his first name?

Mr. TODD. Jose.

Mr. McCULLOCH. What did the Government finally pay for that land?

Mr. TODD. All told?

Mr. McCULLOCH. No; for that particular land of 200 acres.

Mr. TODD. They paid over that amount, and he did not do anything; he did not drain it; it was not required.

Mr. McCULLOCH. How much over that amount; can you tell?



Mr. TODD. I could not tell you. I know that the whole thing you can see it—is a little over \$3,000—and I understand that have been paying at the rate of \$23,000, or \$24,000 a year for land.

Mr. McCULLOCH. Let us get that clear; you say that your mittee, after making a survey, found that the land could be secured for about \$3,000 rental?

Mr. TODD. A little over \$3,000.

Mr. McCULLOCH. And for the same land—

Mr. TODD (interposing). With some additional land.

Mr. McCULLOCH. How much additional?

Mr. TODD. About another quantity the same as this.

Mr. McCULLOCH. That they paid a rental of how much for?

Mr. TODD. About \$23,000 a year.

Mr. McCULLOCH. How much do you say the additional land have been rented for?

Mr. TODD. Just the same as the first part.

Mr. McCULLOCH. So that according to your estimates here land that was actually used could have been secured for not to exceed \$6,000 a year, and the Government paid \$23,000 for it?

Mr. TODD. Twenty-three thousand dollars; yes, sir.

Mr. McCULLOCH. How do you account for that?

Mr. TODD. I could not tell you, gentlemen.

Mr. McCULLOCH. You have some opinion about it?

Mr. TODD. Well, this man who took charge of it, Maj. Stewart, did not care to have anybody advising him or helping him in the matter; he went himself and made the contracts.

Mr. McCULLOCH. Did you have any conversations with the person with whom you talked before, that owned this land, after they talked with Maj. Stewart?

Mr. TODD. Absolutely; we just washed our hands of it. We were not consulted and were not going to offer our services after that.

Mr. McCULLOCH. So you don't know why he paid this large sum when you could have secured, or he could have secured it for much less?

Mr. TODD. No, sir.

Mr. McCULLOCH. You don't know why that was?

Mr. TODD. No, sir; we did see that this man Rexach, for instance, who had promised us in the presence of Col. Townshend to drain the property for that rental which he asked, \$2,000, did not do any more after that. Of course, he was not required to do it, and he has been a fool to do it, but I know that the Government did on its own account put up a permanent draining apparatus and pump station, etc.

Mr. McKENZIE. Well, I assume the records down in the War Department will disclose what they did pay for rentals?

Mr. McCULLOCH. I suppose so.

Mr. McKENZIE. Now, I want to ask you, did you, as the representative of San Juan, make any recommendations or propositions to the War Department for the furnishing of facilities such as light drainage without expense to the War Department?

Mr. TODD. Yes, sir.

Mr. McKENZIE. If so, what did you do?

Mr. TODD. Here is what we offered to do. [Referring to letter heretofore inserted in the record.] The city owned the water system, and we offered water gratis for the two first years, and we did keep our word; we did not charge a single cent for the two years, and I believe that represented in the neighborhood of \$20,000 worth of water they took; they did consume a good deal, and I know for certain, because there is a statement right here—I want to say to you gentlemen that every statement made here and every offer pertaining to this matter was substantiated by affidavits and letters by the concerns themselves. Now, you have here the matter of lighting; here is a statement here:

The Porto Rico Railway, Light & Power Co. has agreed to run its lines into the encampment and furnish the necessary light where required, as per their letter inclosed herewith, and also at the rates specified therein, which, for light, is 10 cents per kilowatt hour.

Well, now, this company, doing business in San Juan, put up their own wires and poles, etc.; that was a contract with the city. Well, it was seen fit by this Maj. Stewart to bring from the States wires and everything on account of the Government and put it up at the account of the Government. Of course, he had to sell it at public auction afterwards.

*Telephone.*—The Porto Rico Telephone Co. agrees to extend its telephone lines to the encampment at the rates which are charged within the city for telephone service, as per their letter attached herewith. The inclosed plans of the property will give a clear idea of the area and its locality.

Well, now, nothing was done with the telephone company. It was seen fit to bring down the telephones and lines, etc.—their own telephones, etc., of the Government.

Mr. MCKENZIE. Build their own systems?

Mr. TODD. Yes; and there is another paragraph with reference to refrigeration; there is a refrigeration plant in San Juan:

The capacity of the ice plant at San Juan is 80 tons per day. Storage capacity for refrigerating purposes is 65,000 cubic feet, divided into five rooms, where different temperatures are maintained. The price of ice is \$9 per ton, delivered, and, as per letter attached, the company will furnish ice at that price at the encampment.

This was disregarded entirely and it was seen fit to put up a new refrigeration plant down there, which has not been able to be sold. Nobody wants it, or needs it, after the camp was abandoned. In regard to the lumber there is a paragraph in the letter.

We are inclosing herewith a letter from one of the largest lumber houses here, showing that they can offer from 5,000,000 to 6,000,000 feet of yellow pine lumber on hand at the price of \$55 per 1,000 feet ex-stock, and also a memorandum showing the sizes on hand.

There is a letter in substance stating that, and this was disregarded and it was seen fit to bring down the lumber from the States at \$85 a thousand, with a consequent delay for the lack of transportation and so forth.

Mr. MCKENZIE. And did they buy any lumber at all from the local concerns there at Porto Rico?

Mr. TODD. No, sir.

Mr. MCKENZIE. It was all shipped from the States?

Mr. TODD. Yes, sir.



Mr. McKENZIE. At \$85 a thousand?

Mr. TODD. Yes, sir.

Mr. McKENZIE. And did that include the freight, or freight added to that?

Mr. TODD. I could not tell you.

Mr. McKENZIE. You don't know that?

Mr. TODD. No, sir. Here is the original letter:

Mr. EDWARD FERRER,

*San Juan.*

AUGUST

DEAR SIR: With reference to the training camp for the National Guard we have the pleasure to advise you that outside of our regular stock we have between 5,000,000 and 6,000,000 feet of yellow pine lumber now on hand at a price of \$55 per 1,000 feet ex-stock.

While we make this offer without engagement we believe we wish to express no hesitation in confirming it if accepted within a reasonable time for which we can deliver from stock within the next 3 months.

Respectfully, yours,

FINLAY, WAYMOUTH

Mr. McKENZIE. Now, then, the next thing after getting the contract located was the letting of the contract, can you tell us about that?

Mr. TODD. Well, about that, I do not know much. I know we have a contractor by the name of Frank Hatch; he is a man who can born and married in Porto Rico; his home is in Porto Rico and he is a very well known contractor; a good man, an honest man, low, and he came up with letters, from the governor, and from everybody telling what they knew about him and recommending him for the job.

Mr. McKENZIE. He was actively engaged as a contractor at that time?

Mr. TODD. Oh, yes; he is known by everybody, government officials, municipal officials and private individuals. We would always use Mr. Hatch, because he is a conscientious fellow, and he came from Washington and he was turned down and somebody else got the contract at cost-plus; a Cuban concern, I understood it was.

Mr. McKENZIE. Well, did you observe during the execution of that cantonment as to the manner in which it was being done, whether the work was efficient, or whether there was anything that would be of interest to the committee to know?

Mr. TODD. Of course, I am not a judge of that; that is a business matter, but from what I heard there was complaint about it and if the matter had been handled by the proper man—the contractor and in the proper way that at least 25 per cent of the expense would have been saved.

Mr. McKENZIE. Well, now, in the first place they put up a cantonment plant that you say was unnecessary?

Mr. TODD. Yes, sir.

Mr. McKENZIE. They built their own telephone lines?

Mr. TODD. Yes, sir.

Mr. McKENZIE. Which was another unnecessary expense?

Mr. TODD. Yes, sir; according to the letters which we have on file from those companies willing to even extend their plant and machinery to accommodate the Government.

**Mr. McKENZIE.** The traction company carried out their part of it?

**Mr. TODD.** Yes, sir; the railroad company.

**Mr. McKENZIE.** The Government accepted that?

**Mr. TODD.** Yes, sir.

**Mr. McKENZIE.** What other things, if any, were done by Maj. Stewart that were needless so far as the expense was concerned and would have been taken care of by the people of San Juan?

**Mr. TODD.** Well, I do not recall any more; maybe there is some more but I do not recall it. I know there was a general complaint about disregarding entirely the things that we had right there.

**Mr. McKENZIE.** Have you visited the camp and know the nature of the buildings and the character of them?

**Mr. TODD.** Oh, yes; I used to go out there frequently.

**Mr. McKENZIE.** What are they; just temporary structures?

**Mr. TODD.** Temporary structures; they had some warehouses, the foundations of which were of concrete; that was the only thing that was permanent. They were sold at public auction.

**Mr. McKENZIE.** Do you remember what price they brought?

**Mr. TODD.** I believe they sold four or five and I don't think they got \$1,000 apiece for them.

**Mr. McKENZIE.** What has been done with the remainder of the camp, or the barracks, since that time?

**Mr. TODD.** Everything has been sold.

**Mr. McKENZIE.** To whom?

**Mr. TODD.** Different parties. There are still some trucks down there.

**Mr. McKENZIE.** Well, they are everywhere. The entire camp has been wrecked?

**Mr. TODD.** Yes, sir.

**Mr. McKENZIE.** And taken away.

**Mr. TODD.** Yes, sir. And in the month of January of this year I came up with the committee of the chamber of commerce and tried to have the camp remain for military purposes in case Porto Rico should get a brigade in the National Army, which we were trying to get—in the permanent Army, when it was expected that the Army would be enlarged. You remember that?

**Mr. McKENZIE.** Yes.

**Mr. TODD.** And we found that it could not be done, and Assistant Secretary Crowell told us that he had been given to understand that he should sell everything and dispose of it. Well, knowing that they were going to rip up those streets and take out the improvements, etc., I told him that that would bring no good for the Government and if those streets and improvements were left there it would be to the benefit of the city, and I agreed to pay all claims against the Government; all claims for damages—that the city would pay all claims for damages for those streets if those streets were left there for the benefit of the city, and he did. He said, "You write me a letter," and I did; I wrote him a letter telling him what the city would do, and he approved it right off the bat. And the improvements and the streets and sewers, etc., have remained, and we have paid all the claims for damages.

**Mr. McKENZIE.** How far from the city of San Juan is this camp located?

Mr. TODD. Right in the town.

Mr. McKENZIE. Right up against the town?

Mr. TODD. Yes, sir; it is within the town.

Mr. McKENZIE. Well, did they ever mobilize the 12,000 men that the camp was constructed to take care of; did they ever call the men in and have use for it?

Mr. TODD. Oh, yes; we had three white regiments and one colored regiment.

Mr. McKENZIE. Well, what is the climate down there; could you have utilized tentage down there to good purpose?

Mr. TODD. Yes; it was all made up for tents.

Mr. McKENZIE. So far as the real necessity, the military necessity of putting up those buildings was concerned, unless it was on the theory that you could not get the tentage, tentage would have been much better in that territory?

Mr. TODD. Yes, sir.

Mr. McKENZIE. Go ahead, gentlemen, if you care to ask him any questions.

Mr. DOREMUS. How long have you been mayor of San Juan?

Mr. TODD. I have been in office since 1911, but previous to that time I was in office from 1903 until 1907.

Mr. DOREMUS. You were mayor from 1903 to 1907?

Mr. TODD. 1903 until 1907; and then from 1911 to 1921, when my term will expire.

Mr. McKENZIE. That is, chairman of the commission?

Mr. TODD. Yes, sir.

Mr. DOREMUS. I asked you how long were you mayor of San Juan?

Mr. TODD. That is it; from 1903 to 1907, and from 1911 to 1921. I am serving my last time now.

Mr. DOREMUS. Then, you are still mayor?

Mr. TODD. Yes, sir.

Mr. DOREMUS. I understood you were no longer mayor.

Mr. TODD. The title has been changed; I was not mayor since November last; the title has been changed.

Mr. DOREMUS. Have you a mayor in San Juan now?

Mr. TODD. No, sir; the duties of the mayor have been taken up by the commission; commissioner of public service, police, and prisons.

Mr. DOREMUS. What is your official title now?

Mr. TODD. Commissioner of Public Service, Police, and Prisons.

Mr. DOREMUS. As I understand it, this letter, which is addressed to Col. Townshend and signed by the local committee of San Juan including yourself as mayor, is a brief which was submitted for the purpose of demonstrating the advantages of locating the cantonment at Stn Juan?

Mr. TODD. Yes, sir.

Mr. DOREMUS. And these figures showing the ground rentals which are incorporated in this letter, as I understand it, are the figures at which the owners of the land agreed to rent it to the Government?

Mr. TODD. Yes, sir.

Mr. DOREMUS. And the original proposition contemplated the rental of about 411 acres?

Mr. TODD. 411 acres, yes, sir.

Mr. DOREMUS. This proposal shows that the 411 acres could have been rented for \$3,153 per annum; do you know what rental the Government did pay?

Mr. TODD. I understand that they had paid as high as at the rate of about \$23,000 a year.

Mr. DOREMUS. Well, upon what do you base your understanding?

Mr. TODD. Well, from conversations I have had down there with people.

Mr. DOREMUS. Have you any personal knowledge of the matter?

Mr. TODD. No; I have not.

Mr. DOREMUS. Have you any personal knowledge of the amount of rent that the Government paid for the particular lands referred to in this letter?

Mr. TODD. Well, I know they did not pay a cent of this to the city of San Juan, because we kept our word; we did not charge a single cent for it, as you can see there. There is another item belonging to the city.

Mr. DOREMUS. I have reference to these items here (indicating).

Mr. TODD. Yes; here is the city of San Juan here, "free," and this was also bought by the city (indicating) and was free. If you will allow me I will answer further your question. I suppose that Maj. Stewart, if he got hold of that letter, and I suppose he ought to, would not pay a single cent higher than what was offered by the prospective owner. If he ever got hold of that letter I do not see how he could pay any higher prices than what they asked in that letter.

Mr. DOREMUS. I do not understand you, Mayor, to testify that as a matter of fact the Government did pay more than the price named in this letter for these particular lands?

Mr. TODD. I said that the first man, for instance, which is the biggest item of \$2,000, he had agreed with the committee to charge that amount of rental, because he had to drain his property, but that is something which he got out of. He did not drain it; of course, he was charging \$2,000 for rental alone.

Mr. DOREMUS. Well, now, do you know how much this first man here, Rexach, got; do you know as a matter of fact, how much he did get from the Government?

Mr. TODD. Two thousand dollars a year.

Mr. DOREMUS. Do you know how much Blanco got?

Mr. TODD. I don't know.

Mr. DOREMUS. Do you know how much Antonsanti got?

Mr. TODD. No, sir.

Mr. DOREMUS. You don't know how much he got?

Mr. TODD. No, sir.

Mr. DOREMUS. I observe from this letter that the municipal authorities offered to give its land to the Government free?

Mr. TODD. Free.

Mr. DOREMUS. How many acres were embraced in the land that was owned by the municipality?

Mr. TODD. Thirty-seven acres.

Mr. DOREMUS. After you presented this letter to Col. Townshend, do you know what he did with it?

Mr. TODD. He told us he had sent the proposition to the city of San Juan with photographs to the War Department, together with propositions of other cities.

Mr. DOREMUS. Suppose, Mr. Chairman, we can get from the War Department the files showing the rentals that were actually paid. can we not?

Mr. MCKENZIE. I suppose so. Of course, there is this question arises from the statements of the mayor, that if the Government paid some \$23,000 as annual rental on this land, and if the land owners did not get more than is stated in this letter, then somebody must have been benefited by the transaction?

Mr. TODD. If you will excuse me right there; I did mention the fact that they got additional land; but I don't think they got more than double that amount of land.

Mr. DOREMUS. Now, as I understand it, the mayor is not testifying from personal knowledge as to the amount of money that was paid for rentals?

Mr. TODD. No.

Mr. DOREMUS. That, I suppose, we can find from the records of the War Department. When was the work started on this cantonment, Mayor?

Mr. TODD. I believe it was the latter part of 1917; about November or December.

Mr. DOREMUS. And do you know about when the work was completed?

Mr. TODD. I could not tell you. I know it was completed in time for the reception of the troops.

Mr. DOREMUS. Can you give the committee, in a general way, some idea of what that construction consisted of?

Mr. TODD. Well, they had, of course, the bases—the floors of the tents were wooded; wooden floors and dining rooms—large dining rooms made up of wood; hospitals and general headquarters were all built of wood.

Mr. DOREMUS. Did they have some tents and some barracks?

Mr. TODD. Yes, sir.

Mr. DOREMUS. Well, what did they do besides build the barracks and put up the tents?

Mr. TODD. They built roads, and put in sewers and water pipes.

Mr. DOREMUS. Was it what you considered a modern up-to-date cantonment when finished?

Mr. TODD. It was; the site was ideally selected. The drainage was good; after every rain everything was drained; everything was dry. Not only the situation of the camp itself, but the kind of soil; it was a sandy soil, and drained right away.

Mr. DOREMUS. So far as the location of the cantonment was concerned, the Government adopted a recommendation of your committee, isn't that correct?

Mr. TODD. Yes, sir.

Mr. McCULLOCH. You have been a public official down there for a good many years?

Mr. TODD. Yes, sir.

Mr. McCULLOCH. And you are familiar in a general way with the situation in regard to this camp, its building, and so on; you lived there, did you not, during the time it was being built?

Mr. TODD. Yes, sir.

Mr. McCULLOCH. What do you say to this committee, in your judgment, as to whether or not the circumstances surrounding the construction of that camp, the securing of the land, etc., should be the subject of a through investigation by this committee?

Mr. TODD. Well, I would just repeat what I said privately to Mr. McKenzie before you came in, what I have heard and seen about cantonments up here, I believe Porto Rico is just a drop in the bucket. Of course, it is another drop; I feel that everything is small down there, compared to things up here.

Mr. McCULLOCH. That, of course, is not the point I am trying to make; Porto Rico is a good ways away from here?

Mr. TODD. Yes, sir.

Mr. McCULLOCH. And this committee is charged with the responsibility of investigating expenditures in camps and cantonments?

Mr. TODD. Yes, sir.

Mr. McCULLOUGH. Now, what I want to ask you as a public official down there and familiar with the situation is whether or not the circumstances, the building of that camp and the securing of the land, should be the subject of a thorough investigation by this committee. I want your opinion on that subject as one who comes from your locality and is familiar with the situation. What do you say about it?

Mr. McKENZIE. Let me ask you: You have talked with Col. Townshend about this, haven't you?

Mr. TODD. Yes, sir.

Mr. McKENZIE. What does Col. Townshend think about the way the business was conducted down there?

Mr. TODD. He did not think it was conducted properly.

Mr. McKENZIE. Does he think there was waste and graft?

Mr. TODD. The first word would do; he never spoke about graft; he spoke of waste.

Mr. McCULLOCH. Will you give us your opinion on my question?

Mr. TODD. It is a hard question for me, sir, to put the responsibility on me.

Mr. McCULLOCH. I am asking only for your opinion as a public official?

Mr. TODD. Well, I believe you should. I have seen lots of investigations for small things, and why shouldn't other officials be investigated?

Mr. DOREMUS. As I understand you, Mayor, the original proposition contemplated the purchase of 411 acres of ground?

Mr. TODD. Not the purchase.

Mr. DOREMUS. Or the rental?

Mr. TODD. The rental, yes, sir.

Mr. DOREMUS. And later the acreage was practically doubled?

Mr. TODD. Yes, sir, it was, because as I said in my first testimony, because the order from the War Department to Col. Townshend was to get land for a cantonment for 7,000 troops, but the order was afterwards increased to 12,000, to include 12,000, and that is why I believe they had to get the additional land.

Mr. DOREMUS. Now, you have told Mr. McCulloch that you think this committee would be justified in making a thorough investigation



of the purchase of the land and the construction of the cantonment: you must have some good reason for your opinion; what, in your judgment could the committee develop if it did make a thorough investigation of that work?

Mr. TODD. Well, they would set—well, I will not say that. It would stop the talk and conversation which is going on down there that this camp was extravagantly built, at an enormous figure, and that it could have been done with a saving to the Government. That is what everybody is talking down there. I want to correct your statement again, you put in your question about the purchase of the land: there was no purchase of land.

Mr. DOREMUS. Yes; I will make that correction; I meant rental.

Mr. TODD. If you see lands yourself and inquire from people who ought to know about lands in Porto Rico you will find that not even at the purchase price was that worth \$23,000, much less the rental for a year. Any fool would know it down there. I would not pay \$10,000 for the whole thing, and yet somebody paid \$23,000 for the rental; it is swampy and land of no value.

Mr. MCKENZIE. I want to ask you this about those roads down there—

Mr. DOREMUS (interposing). You say swampy; I understood you to say it was hilly and swampy.

Mr. TODD. I am talking about this afterwards. In our letters were the ones I mentioned before.

Mr. DOREMUS. And these were good lands and well adapted for the construction of a cantonment?

Mr. TODD. Yes, sir; the cantonment proper. The cantonment itself was located on these lands which we proposed. The other lands were taken in for drilling and so forth, but not a single piece of land outside of that which we proposed was taken in for the cantonment proper; absolutely.

Mr. DOREMUS. I see.

Mr. TODD. The 12,000 men were eventually put on this 411 acres. All of the other land which was taken in afterwards at such a high price was simply for maneuvering and drilling purposes.

Mr. DOREMUS. You say that the matter of making the leases and the arrangements for the rental was in charge of Maj. Stewart?

Mr. TODD. Maj. Stewart.

Mr. DOREMUS. And Maj. Stewart was sent to San Juan by the War Department?

Mr. TODD. By the War Department.

Mr. DOREMUS. Do you know where Maj. Stewart is now?

Mr. TODD. I understand he is still here in Washington in the Quartermaster's Office, and he is wearing the red stripe of discharge now; but he is still wearing the uniform; he is still kept in the office.

Mr. DOREMUS. And is Col. Townshend still in San Juan?

Mr. TODD. No; Col. Townshend was assigned for duty at Fort Leavenworth; he had to take an operation, and was so badly out of health that he has gone some place in Illinois to recover; he is up here in this country.

Mr. DOREMUS. Mayor, have you ever heard any explanation made as to why they paid rentals for those lands in excess of the prices submitted by your committee?

Mr. TODD. No, sir.

Mr. DOREMUS. I think that is all.

Mr. TODD. Except Maj. Stewart supposed that he knew it all and did not need any help.

Mr. DOREMUS. That is all.

Mr. McKENZIE. Now, I would like to ask about these roads. What was the character of the roads built?

Mr. TODD. Macadam wide roads; very good roads.

Mr. McKENZIE. Well, where did they get the gravel and materials for building them?

Mr. TODD. Right there; they made purchases, of course.

Mr. McKENZIE. Well, was it necessary to build those roads?

Mr. TODD. Yes, sir; it was.

Mr. McKENZIE. It was necessary?

Mr. TODD. Yes, sir.

Mr. McKENZIE. On account of the mud, or why was it necessary? I understood you to say that when it rained there the rain ran off and in a little while it was dry. Now, if that was true, why was it necessary to have these macadam roads?

Mr. TODD. You have asked me a question which I can not answer. I suppose they were necessary for military purposes; I don't know.

Mr. McKENZIE. Well, of course you are taking those roads over now—the city is taking those roads over?

Mr. TODD. Yes, sir.

Mr. McKENZIE. And paying the damage to the owners of the land?

Mr. TODD. Yes, sir.

Mr. McKENZIE. Well, have you purchased those streets and roads? Is that on land that belongs to the city?

Mr. TODD. No, sir; those lands belong to the same parties whom I mentioned in that letter and of course they consider it a benefit for their other lands to give these strips of land taken in as streets and roads, if we are to keep up the streets. That will give a better price to other lands and land which had no price before.

Mr. McKENZIE. I see; and you will eventually take that land in as a subdivision of the city; is that the idea?

Mr. TODD. Yes; the lands already have increased in value.

Mr. McKENZIE. Otherwise you would not have any authority to spend money outside of the city limits?

Mr. TODD. No, sir; but it is within the city limits.

Mr. McKENZIE. Oh, I see. And there was a considerable amount of money spent on the construction of those roads?

Mr. TODD. Yes; and we had spent a large amount, too, the city had, on account of those roads.

Mr. McKENZIE. Well, of course, if I understand, you have several complaints: First, that they ignored your proposition in many respects put up in this statement which will go into the record.

Mr. TODD. Yes, sir.

Mr. McKENZIE. Second, that they built a refrigerating plant which was wholly unnecessary; that would have been taken care of by the city?

Mr. TODD. Yes, sir.

Mr. McKENZIE. And third, that they bought lumber at a very much higher price and shipped it from the States than they could have it for at San Juan?

Mr. TODD. Yes, sir.

Mr. McKENZIE. And again, that you had a capable, high-class contractor with his equipment and organization that they declined to give the contract to, but brought in a contractor from the outside to do this work?

Mr. TODD. Yes, sir.

Mr. DOREMUS. Who was this contractor?

Mr. TODD. If you will let me see that statement, I think I can give you the name. (Mr. McKenzie hands papers to the witness.) Purdy & Henderson Co.

Mr. DOREMUS. They were San Juan contractors?

Mr. TODD. No; they were the contractors for the cantonment.

Mr. DOREMUS. Do you know where they came from?

Mr. TODD. They have a business in Cuba—in Havana.

Mr. McKENZIE. Well, they had a contract for \$1,500,000?

Mr. TODD. Yes, sir.

Mr. McKENZIE. And this other firm had a contract for \$1,500,000?

Mr. TODD. Yes, sir; that makes \$3,000,000.

Mr. McKENZIE. Well, I think that is all, Mayor. We are very much obliged to you.

(And thereupon at 11 o'clock the committee adjourned, to meet at the call of the chairman.)

**SUBCOMMITTEE No. 2 (CAMPS) OF THE  
SELECT COMMITTEE ON EXPENDITURES  
IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 22, 1919.**

The subcommittee met on call of Hon. John C. McKenzie (chairman), presiding.

Mr. McKENZIE. From the exhibits that have heretofore been offered we desire now to have printed in the record the following extracts that we deem essential to make the printed record complete, as being particularly material to the inquiry. The following extracts are from a typical cost-plus contract in use by the Navy Department during the emergency:

**CONTRACT No. 3529.**

This contract, of two parts, made and concluded this 3d day of October, 1918, by and between Turner Construction Co., a corporation of the State of New York, having an office and place of business at No. 244 Madison Avenue, New York, N. Y., party of the first part, hereinafter called the contractor, and the United States, party of the second part, hereinafter called the Government.

\* \* \* \* \*

First. For and in consideration of the payments to be made as hereinafter provided, the contractor will construct and complete a temporary hospital of approximately 300-bed capacity, to be located in the Naval Hospital Reservation at Twenty-fourth and G Streets, Washington, D. C., including all necessary structures, heating, power, water, the drainage systems, furniture, equipment, and such other facilities as may be required by the Government.

\* \* \* \* \*

Fourth. The hospital to be constructed hereunder shall be completed so far as to be suitable for beneficial occupancy within 60 calendar days from the date on which a signed copy of this contract is delivered to the contractor. The entire work hereunder shall be completed as soon as possible thereafter. The time when the hospital is suitable for beneficial occupancy shall be when the structures are fully inclosed, with the painting, interior finish, heating, plumbing, electric work, galley equipment, floors, and partitions in such state of completion that any further work to be done shall be of such a character as not to interfere with the use of the hospital for the purpose intended.

Fifth. For delay in completion for beneficial occupancy as aforesaid deductions as liquidated damages shall, subject to the provisions of the general provisions aforesaid, be made from payments earned hereunder at the rate of \$100 a day; provided that if the contractor shall be unable to obtain the necessary materials the Government, upon request, will give such aid in obtaining them as may be practicable, and a further failure to obtain such materials will then constitute an unavoidable delay within the meaning of paragraph 14 of said general provisions; and, further, that strikes of workmen interfering with the progress of the work will likewise constitute an unavoidable delay within the meaning of said paragraph.

Sixth. For and in consideration of the faithful performance of the work herein provided for the contractor shall be paid the cost of the work furnished

by it therefore as said cost is hereinafter defined a plant rental of \$1,000, and a fixed fee of \$20,000. Payments shall be made weekly upon vouchers prepared, certified, and approved in the manner contemplated by clause ninth, and the weekly payments on account of fee shall be at the rate of 5 per cent of the cost of the work; provided, that when the sum of \$18,000 shall have been paid on account of said fee payments thereafter shall be made only for the cost of the work and plant rental. When the entire work herein provided for shall have been completed and accepted, then the balance of the fee, less any credits due the Government, will be paid upon the execution of a release of claims as contemplated by paragraph 29 of the general provisions aforesaid. Payment of plant rental shall be made in four biweekly installments of \$250 each. No reservation from the payments on account of plant rental shall be made.

\* \* \* \* \*

(e) Salaries of resident engineers, superintendents, timekeepers, clerks, and other employees of the contractor's local office at the site of the work. No "overhead" expenses at the contractor's principal office or salaries of engineers or officers employed at the principal office shall be included in the cost of the work, nor shall the salaries of officers or engineers who may visit the work be included in the cost.

\* \* \* \* \*

Eighth. The contractor will furnish without charge other than the fee provided for herein, its business and purchasing system, engineering skill and experience, skilled organization, patented rights, and, generally, its ability to organize and equip the work with experienced men.

The following extracts are from contracts used by the Aberthaw Construction Co. (Inc.), of which Mr. Tuttle, of the emergency construction committee, is vice president:

#### CONTRACT.

[Job No. 5252; contract No. 2286.]

BOSTON, MASS., June 16, 1919.

ABERTHAW CONSTRUCTION CO.,

27 School Street, Boston, Mass.

GENTLEMEN: You are hereby authorized and instructed to furnish all labor, material, tools, and contractors' plant required to construct on the property of our clients, the Nashua Manufacturing Co., at their Jackson mill, Nashua, N. H., a new spinning mill, an office building, and additional story to No. 4 mill, and to make changes to front of No. 1 mill, all in accordance with drawings and specifications which we will prepare. You are also to do any other work at the site that may be ordered. Plumbing is to be included in your work, but the following are not to be considered as a part of this contract: Elevators, conveyors, electric wiring, heating and other piping, fire protection, and similar equipment of the buildings.

It is understood that you will commence said work at once and push same to as rapid completion as is consistent with good workmanship.

#### COMPENSATION.

For your services as our agents you are to receive and we are to pay a sum equal to 7 per cent of the total of the before-mentioned items of cost which enter into your work.

For this consideration you are to furnish without additional charge the following services:

(a) Your executive officers or home office representatives to direct and oversee the work.

(b) Purchasing department, which is to act as ours for this contract.

(c) Employment and personnel department to recruit labor and supervise labor conditions.

(d) Your planning department to look after details of operation.

(e) Your accounting and cost accounting departments to install proper systems of accounting and cost accounting for the work.

(7) General expenses of your home office, including postage and services of stenographers and clerks.

Memorandum of agreement made the 17th day of July, 1915, between the Aberthaw Construction Co. (Inc.), organized under the laws of Maine and having a usual place of business in Boston, Mass. (hereinafter designated the Construction Co.), and the Fore River Shipbuilding Corporation, a corporation organized under the laws of Massachusetts and having a usual place of business in Quincy, Mass. (hereinafter designated the owner), witnesseth:

1. That for the consideration hereinafter named, the Construction Co. agrees to act as general contractor and to furnish superintendence, labor, and such materials as directed, subject to the conditions hereinafter set forth, and perform the work necessary and requisite to build a plate and angle shop approximately 770 feet by 185 feet by one and one-half stories on the owner's property in Quincy, Mass.

2. The work is to be constructed in accordance with plans and specifications prepared by Monks & Johnson, engineers, Boston, Mass. The entire work is to be constructed and finished in a good, substantial, and workmanlike manner to the full extent of the drawings and specifications.

3. For acting as general contractor, the owner agrees to pay the Construction Co. the actual cost of the work and to pay the Construction Co. a profit of \$18,000, which will be increased to \$20,000 or decreased to \$16,000 at the will of the owner. It is understood that if the work is fully satisfactory to the owner the profit will be the maximum; if it is fully unsatisfactory, the amount will be the minimum. Profit to be paid at the end of the job.

The following extracts are from a contract used by Crowell Lundoff Little Co., of Cleveland, Ohio:

This agreement, made and entered into this 1st day of September, A. D. 1915, by and between the Weldman Co., a corporation of the State of Ohio, whose principal place of business is Cleveland, Ohio, hereinafter called the owner, party of the first part, and the Crowell Lundoff Little Co., a corporation of the State of Ohio, whose principal place of business is Cleveland, Ohio, hereinafter called the contractor, party of the second part.

ART. 2. That the said building shall be erected as provided by the plans and specifications, and all the material and labor entering into the same shall be furnished on a basis of actual cost of said work, labor, and material, plus an additional sum of 7½ per cent of said actual cost, which additional sum the contractor agrees to receive as full compensation and remuneration.

That the rate of rental of machinery or equipment used therefor shall be as follows:

	Per month.
Bar bender.....	\$5. 00
Bar cutter.....	5. 00
Boilers, 15 horsepower.....	10. 00
Boilers, 20 horsepower.....	15. 00
Boilers, 25 horsepower.....	20. 00
Boilers, 30 horsepower.....	25. 00
Bucket, clam shell, 1-yard capacity.....	40. 00
Bucket, clam shell, 1½-yard capacity.....	45. 00
Bucket, concrete hoist, one-half-yard capacity.....	5. 00
Bucket, concrete hoist, three-fourths-yard capacity.....	7. 50
Bucket, center dump.....	5. 00
Concrete mixer, one-half-yard capacity.....	45. 00
Concrete mixer, three-fourths-yard capacity.....	55. 00
Derrick, stiff leg or guy, 30-foot boom.....	30. 00
Derrick, stiff leg or guy, 40-foot boom.....	40. 00
Derrick, stiff leg or guy, 50-foot boom.....	50. 00
Derrick, stiff leg or guy, 80-foot boom.....	60. 00
Electric motors, 10 horsepower.....	10. 00
Electric motors, 15 horsepower.....	13. 00
Other motors rated above 10 horsepower, per horsepower.....	. 85
Other motors rated under 10 horsepower, per horsepower.....	1. 00
Electric drills.....	10. 00

	Per month
Electric hammers.....	\$10. 00
Electric hoist, 90 horsepower.....	125. 00
Electric hoist, 50 horsepower.....	100. 00
Hack saw, power.....	3. 00
Hammer, steam No. 4, Arnott.....	50. 00
Holisting engine with boiler, 3 drum, 35 horsepower.....	80. 00
Holisting engine with boiler, 3 drum, 25 horsepower.....	75. 00
Holisting engine with boiler, 2 drum, 30 horsepower.....	75. 00
Holisting engine with boiler, 2 drum, 25 horsepower.....	60. 00
Holisting engine with 50-horsepower boiler.....	85. 00
Levels.....	7. 50
Locomotive crane.....	500. 00
Mortar mixer, complete, with motor.....	25. 00
Saw table.....	5. 00
Swing saw.....	3. 00
Swinging engine.....	15. 00
Time clock.....	15. 00
Transit.....	10. 00

On the completion of said work the contractor agrees to purchase from the owner all the materials used for the wood and metal forms, scaffolding, and sheet piling which are in good, serviceable condition at 40 per cent of its cost, delivered on the job, and all tools which shall have been used on said job at 10 per cent of said cost. These credits shall be allowed to the owner before the total cost hereinafter mentioned is computed.

ART. 4. That as soon as possible after the completion of all plans and specifications by the architect the contractor shall estimate the cost of the building, said estimate of cost to include all items of expense mentioned in article 3, and to include the contractor's remuneration as provided in article 2. This estimate of total cost, as above defined, exclusive of extra work, shall be regarded as the maximum cost to the owner for the completion of said building in accordance with the contract plans and specifications, and the contractor agrees that should the actual cost of said items provided in article 3 plus the contractor's remuneration as provided in article 2 exceed the said total estimated cost then any excess of cost of said items of work so erected shall be paid by the contractor.

It is agreed that the contractor will perform any additional work required by the owner or architect, not shown on the contract drawings or specified in the contract specifications, and the owner shall pay to the contractor in the manner hereinafter provided the total cost of said extra work, together with 7½ per cent additional thereon for the contractor's remuneration for said extra work.

We also desire to incorporate in the record the affidavit of A. C. Winslow, superintendent for the Ross P. Beckstrom Co., relating to the construction of the elevator built at Camp Grant:

ROSS P. BECKSTROM Co.,  
Rockford, Ill., December 5, 1919

I, Mr. A. C. Winslow, superintendent for the Ross P. Beckstrom Co., under the period of construction by this company, erected one building known as the oats elevator building. This building was erected according to the usual procedure and in this case the Government furnished all the elevator equipment which included the bands.

During the construction of this building I personally went to Lieut. Fox, acting officer in charge, and asked him for the iron bands that were to circle the bins, and he advised me that these bands were not necessary, and, furthermore were not needed on this type of construction.

I completed this building in accordance with the instructions from the Quartermaster Department and when completed turned it over to the Government and it was inspected. The inspection was made by Maj. Charles and myself as person.

A. C. WINSLOW

Sworn and subscribed to before me this 6th day of December, 1919.

[SEAL.]

WM. H. ARMOUR

We also desire to print in the record, complete, the various contracts for the construction of Camp Sherman, Chillicothe, Ohio, being 13 in number:

LBP 14.

CONTRACT FOR EMERGENCY WORK—CONSTRUCTION OF CANTONMENT AT CHILLICOTHE, OHIO.

Contract made and concluded this 21st day of June, 1917, by and between the A. Bentley & Sons Co., of Toledo, county of Lucas, State of Ohio, a corporation organized under the laws of the State of Ohio, represented by James Bentley, its vice president and general manager, party of the first part (hereinafter called contractor), and the United States of America, by Maj. W. A. Dempsey, Q. M. U. S. R. (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists, and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas it is advisable under the disturbed conditions which exist in the contracting industry throughout the country for the United States to depart from the usual procedure in the matter of letting contracts and adopt means that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided;

Now, therefore, this contract witnesseth, That in consideration of the premises and of the payments to be made as hereinafter provided the contractor hereby covenants and agrees to and with the contracting officer as follows:

**ARTICLE 1. *Extent of the work.***—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the following work:

At Chillicothe, Ohio: Buildings and other utilities, except roads, stoves, bunks, mattresses, ranges, and refrigerators, for a division of Infantry, including the following additional units, viz, one telegraph battalion, one regiment heavy Artillery, horse, in accordance with the drawings and specifications to be furnished by the contracting officer and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of Article II hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. *Cost of the work.***—The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies, and equipment necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done without the prior consent and approval of the contracting officer.



(b) All subcontracts made in accordance with the provisions of this contract.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction in sound and workable condition, such as pumps, derricks, concrete boilers, clamshell or other buckets, electric motors, electric drills, hammers, electric hoists, steam shovels, locomotive cranes, power saws, miners' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof which he may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair value of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation. In which event the valuation so made by the contracting officer shall be final. When and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid. The ownership of the work the constructing officer may, at his option, purchase for the United States any part of such construction plant then owned by the contractor. The rental payable to the contractor the difference between the valuation of such parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be determined upon in writing between the contractor and the contracting officer, subject to be in conformity with rates of rental charged in the particular contract in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall not be allowed any rental therefor and shall receive no fee for the use of such equipment.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during the use in the said work.

(e) Transportation and expenses to and from the work of the necessary field forces for the economical and successful prosecution of the work, including curing labor and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is not applied to said work but is divided between said work and other work, the salary shall be included in this item only in proportion to the actual time applied to this work.

(g) Buildings and equipment required for necessary field offices, including necessary, and hospital, and the cost of maintaining and operating said offices, commissary, and hospital, including such minor expenses as telegrams, telephone service, expressage, postage, etc.

(h) Such bonds, fire liability and other insurance as the contracting officer may approve or require, and such losses and expenses not compensated by insurance or otherwise as are found and certified by the contracting officer to have been actually sustained (including settlements made with the contractor by the consent and approval of the contracting officer) by the contractor in connection with said work and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contract fee. The cost of reconstructing and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of determining the contractor's fee, but not for the purpose of determining the contractor's fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract and necessarily incurred. All expenditures under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling, and hotel expenses of officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should, in the opinion of the contracting officer, be included in the cost of the work. When such an item is allowed by the contracting officer, it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers any or all freight charges on material of all kinds and machinery furnished under this contract and certified by the contracting officer as being for installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall pay and as shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based, provided that charges for transportation of such construction equipment, construction plant and tools over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expense incurred in conducting the contractor's main office or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage, to the extent of its ability, of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed as fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

If the cost of the work is under \$100,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$10,000.

If the cost of the work is over \$125,000 and under \$250,000, a fee of 8 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of \$20,000.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 7½ per cent of such cost.

If the cost of the work is over \$500,000 and under \$535,714.29, a fee of \$37,500.

If the cost of the work is over \$535,714.29 and under \$3,000,000, a fee of 7 per cent of such cost.

If the cost of the work is over \$3,000,000 and under \$3,500,000, a fee of \$210,000.

If the cost of the work is over \$3,500,000, a fee of 6 per cent of such cost.

Provided, however, that the fee upon such part of the cost of the work as is represented by payments to subcontractors, under subdivision (b) above, shall in each of the above contingencies be 5 per cent and no more of the amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor but for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof, not exceeding 7 per cent, as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$250,000, anything in this agreement to the contrary notwithstanding.



**ART. 4. *Payments.***—On or about the 7th day of each month the contractor and the contracting officer shall prepare a statement showing as far as possible (1) the cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount to 3½ per cent, except as herein otherwise provided, of the sum of (2) on account of the contractor's fee; and the contractor at such time shall deliver to the contracting officer original signed pay rolls for labor, invoices for materials purchased, and all other original papers necessary to support delivered supporting expenditures claimed by the contractor, included in the cost of the work. If there be any item or items in dispute, the decision of the contracting officer as to such dispute shall govern. The contracting officer shall then pay to the contractor on or about the 9th day of each month the cost of the work mentioned in (1) and the fee mentioned in (3) of such statement, less all previous payments. When the statement above mentioned includes any work of reconstruction and replacing work destroyed or damaged the payment on account of such work in (3) for such reconstruction and replacement work shall be computed at such rate, not exceeding 3½ per cent, as the contracting officer may determine. The statement so made and all payments made thereon shall be binding upon both parties hereto, except as provided in article 5 hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of such intervals between the dates above mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee determined under articles 2 and 3 hereof.

**ART. 5. *Inspection and audit.***—The contracting officer shall at all times afford proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and other papers of every description of the contractor pertaining to said work, and the contractor shall preserve for a period of two years after its completion or completion of work under this contract all the books, records, and other papers just mentioned. Any duly authorized representative of the contractor shall be accorded the privilege of examining the books, records, and papers of the contractor relating to said work for the purpose of checking up and verifying the same in said work. The system of accounting to be employed by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor or other bills legitimately incurred by the contractor hereunder are not paid by the contractor, the contracting officer may in his discretion make further payments to the contractor until all such obligations paid have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer so to do, then the contracting officer shall have the right to pay such bills directly, in which event such payments shall not be included in the cost of the work.

**ART. 6. *Special requirements.***—The contractor hereby agrees that he

(a) Begin the work herein specified at the earliest time practicable and diligently proceed so that such work may be completed at the earliest possible date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure, and thereafter maintain such insurance, in such form and for such amounts, and for such periods of time as the contracting officer may require or require.

(d) Procure all necessary permits and licenses and obey and abide by all regulations, ordinances, and other rules applying to such work of the United States of America, of the State or Territory wherein such work is done, or subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, in such contract made by it for the furnishing to it of services, materials, machinery, and equipment, or the use thereof, for the purposes of the contract hereunder, a provision that such contract is assignable to the United States will make all such contracts in its own name, and will not bind the contractor to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions hereof require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative, who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to protect and subserve the interest of the contracting officer and the United States.

**ART. 7. Right to terminate contract.**—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with promptness and diligence or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days' written notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges and rights, and may complete, or employ any other person or persons to complete said work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in article 4 hereof; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental at the election of the contracting officer, for any equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract, the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind, on the part of the contractor hereunder or on account hereof.

**ART. 8. Abandonment of work by contracting officer.**—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have therefore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and

discharged of and from any and all demands, actions, or claims of on the part of the contractor hereunder or on account hereof.

ART. 9. *Bond.*—The contractor shall prior to commencing the said work furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$250,000, conditioned upon its full and faithful performance of all the conditions, and provisions of this contract, and upon its prompt payment of bills for labor, material, or other service furnished to the contractor.

ART. 10. *Convict labor.*—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment or hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

ART. 11. *Hours and conditions of labor.*—No laborer or mechanic engaged in any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated by this contract, shall be required or permitted to work more than eight hours in any calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld from the use and benefit of the United States; provided, that this paragraph shall not be enforced nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions of said act in whole or in part in relation thereto, or when the provisions of said act are in violation thereof with respect to either this contract or any class of contracts to which this contract shall be included, or when the violation shall be caused by any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by any extraordinary events or conditions on account of which, by subsequent Executive order such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, investigate the dispute, and the contractor or subcontractor involved in such dispute as to the method of settling the same, which the contractor or subcontractor should follow with reference to the dispute, and the contractor or subcontractor shall thereupon comply with such directions.

ART. 12. *Right to transfer or sublet.*—Neither this contract, nor any part thereof, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out this contract, either with the transferor or transferee, but all rights of action for any breach of this contract by the contractor are reserved to the United States.

ART. 13. *No participation in profits by government officials.*—No officer, or Delegate to, Congress, or resident commissioners, nor any other person belonging to or employed in the military service of the United States shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract if it may be within the operation or exception of section 116 of the act approved March 4, 1909 (35 Stat., 1109).

ART. 14. *Settlement of disputes.*—This contract shall be interpreted in whole and the intent of the whole instrument, rather than the intent of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. However, if the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, he shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

ART. 15. This contract shall bind and inure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein the same shall be construed to include his successor in office, any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate. Changes in line 5, page 1, done with our knowledge and consent.

THE A. BENTLEY & SONS CO. [SEAL]  
By JAMES BENTLEY,  
Vice President and General Manager.  
UNITED STATES OF AMERICA.  
By W. A. DEMPSEY, Contracting Officer.

This is a true copy.

L. B. PERKINS,  
Captain, Quartermaster Corps.

*Schedule of rental rates per day.*

Automobiles .....	\$5. 00
Adding and listing machines .....	.20
Buckets, tippie and bottom dump .....	.25
Boring machine, pneumatic .....	.50
Boring machine, electric .....	.50
Buckets, orange-peel, 1 yard .....	3. 50
Buckets, orange-peel, less than 1 yard .....	2. 00
Buckets, clamshell .....	2. 00
Boiler and 3-drum engine .....	3. 50
Boiler and 2-drum engine .....	3. 00
Boiler and 1-drum engine .....	2. 50
Boiler only, 30 horsepower and smaller .....	1. 50
Boiler only, larger than 30 horsepower .....	2. 00
Block machine, concrete .....	1. 50
Cars, skip, 1½ yards .....	.25
Cars, skip, 3 yards .....	.50
Cars, steel, 1 yard and smaller .....	.15
Cars, 4-yard, wooden .....	.25
Cars, 6-yard, wooden .....	.75
Cars, 12-yard, wooden .....	2. 00
Cars, 1 hopper, radial gate .....	.25
Crushers only .....	2. 00
Crushers, with elevator and screen .....	3. 00
Conveyor, gravity, per 100 feet .....	1. 00
Compressor, 10 by 10, with steam engine .....	2. 50
Compressor, 8 by 8, belt driven .....	1. 00
Compressor, with gasoline engine on wheels .....	5. 00
Compressor, Westinghouse, 9½ inches .....	1. 00
Cableways, without engine .....	4. 00
Drill, auto traction .....	5. 00
Dump wagons .....	.25
Diving outfit with pumps .....	10. 00
Derricks, 60 feet to 85 feet .....	2. 00
Derricks, 30 feet to 59 feet .....	1. 50
Derricks, less than 30 feet .....	1. 00
Derricks, breast .....	.25
Derricks, circle swing .....	.25
Elevators, platform or bucket .....	.25
Elevators, with bins for concrete .....	.50
Engines, skeleton, 3-drum .....	2. 00
Engines, skeleton, 2-drum .....	1. 50
Engines, skeleton, 1-drum .....	1. 00
Engines, steam horizontal, 11 to 40 horsepower .....	1. 50
Engines, steam, upright, to 10-horsepower .....	.50
Engines, gasoline, to 8-horsepower .....	.50
Engines, 2-drum, with electric motor .....	4. 00



Engines, gasoline, 10-horsepower  
 Engines, derrick, swinging  
 Hammers, riveting  
 Hod elevating machine  
 Levelling instruments, engineers'  
 Locomotive, 36-inch gauge  
 Locomotive, standard gauge  
 Mixers, with boiler sideloader  
 Mixers, with electric motors, 1 yard  
 Mixers, without boiler, less than 1 yard  
 Mixers, without boiler, 1 yard and larger  
 Mixers, with gasoline engine  
 Motor cycles  
 Motors, 2-horsepower  
 Motors, 5-horsepower  
 Motors, 10-horsepower  
 Motors, 25-horsepower  
 Motors, 50-horsepower  
 Pumps, centrifugal, 10-inch, belt-driven  
 Pumps, centrifugal, 10-inch, with motor attached  
 Pumps, centrifugal, 8-inch, steam-connected  
 Pumps, centrifugal, 6-inch, steam-connected  
 Pumps, centrifugal, 4-inch, steam-connected  
 Pumps, duplex and triplex to 3-inch  
 Pumps, pulsometer to 4-inch  
 Pumps, diaphragm  
 Pumps, diaphragm, with gas engine  
 Pumps, triplex, with belt drive  
 Pile drivers, drop  
 Pile drivers, drop, with single drum engine and boiler  
 Pile hammers, steam, up to 2,500 pounds  
 Pile hammers, steam, larger than 2,500 pounds  
 Rail, per ton  
 Roller, horse  
 Steam drills  
 Small air drills  
 Steam roller  
 Steam shovel  
 Sprinkling cart  
 Saw benches  
 Saw benches, with motor or gasoline engine  
 Scale boxes  
 Scraper, wheel  
 Transits  
 Typewriter

Fuel and lubricants not included in these prices.

LBP 11.

#### CONTRACT FOR EMERGENCY WORK.

Contract made and concluded this 7th day of July, 1917, by and between Brewer, Tomlinson & Brewer, a partnership of Chillicothe, Ohio, party first part (hereinafter called contractor), and the United States of America, by Capt. Ward Dabney, Quartermaster Corps (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved July 19, 1917, that war exists between the United States of America and Germany, and that a national emergency exists and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas it is advisable under the disturbed conditions which exist in the contracting industry throughout the country for the United States to contract for the work hereinafter described in the matter of letting contracts and adopting that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided:

Now, therefore, this contract witnesseth that in consideration of the premises and of the payments to be made as hereinafter provided the contractor hereby covenants and agrees to and with the contracting officer as follows:

**ARTICLE 1. Extent of the work.**—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the following work:

Part of the grading, culverts, and road building upon the cantonment site at Chillicothe, Ohio, to the extent directed by contracting officer and in accordance with the drawings and specifications to be furnished by the contracting officer and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of article 2 hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. Cost of the work.**—The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done, without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clamshell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineers' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof as it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair valuation at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid to the contractor and title thereto shall vest in the United States. At the completion of the work, the constructing officer may at his option purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor the difference between the valuation of such part or parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, such rates



to be in conformity with rates of rental charged in the particular in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall not be allowed any rental therefor and shall receive no fee for use of such equipment.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements due to use in the said work.

(e) Transportation and expenses to and from the work of the field forces for the economical and successful prosecution of the work, including labor and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is not applied to said work, but is divided between said work and other duties, his salary shall be included in this item only in proportion to the actual time applied to this work.

(g) Buildings and equipment required for necessary field offices, mess hall, commissary, and hospital, and the cost of maintaining and operating said buildings, commissary, and hospital, including such minor expenses as telephone service, expressage, postage, etc.

(h) Such bonds, fire liability and other insurance as the contracting officer may approve or require; and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with third parties by the consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall be included in the cost of the work for the purpose of determining the contractor's fee. The cost of reconstructing and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of determining the contractor's fee, but not for the purpose of determining the contractor's fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of incidental to the execution of this contract, and necessarily incurred expenditures under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling, and hotel expenses of officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed by the contracting officer it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers any or all freight charges on material of all kinds, and machinery, under this contract, and certified by the contracting officer as being necessary for the installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character. The contractor shall pay and as shall be specifically certified by the contracting officer the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools, and supplies of every character, shall be included in the cost of the work upon which the contractor's fee shall be based, provided that charges for transportation of such construction equipment, construction plant, and tools over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expenses incurred in conducting the contractor's main office, or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage of the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital or other facilities or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed as fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided.

If the cost of the work is under \$100,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$10,000.

If the cost of the work is over \$125,000 and under \$250,000, a fee of 8 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of \$20,000.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 7½ per cent of such cost.

If the cost of the work is over \$500,000 and under \$535,714.29, a fee of \$37,500.

If the cost of the work is over \$535,714.29 and under \$3,000,000, a fee of 7 per cent of such cost.

If the cost of the work is over \$3,000,000 and under \$3,500,000, a fee of \$210,000.

If the cost of the work is over \$3,500,000, a fee of 6 per cent of such cost.

*Provided, however,* That the fee upon such part of the cost of the work as is represented by payments to subcontractors, under subdivision (b) above, shall in each of the above contingencies be 5 per cent and no more of the amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor, but for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof, not exceeding 7 per cent, as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$250,000, anything in this agreement to the contrary notwithstanding.

**ART. 4. Payments.**—On or about the seventh day of each month the contracting officer and the contractor shall prepare a statement showing, as completely as possible, (1) the cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount equal to 3½ per cent, except as herein otherwise provided, on the sum of (1) and (2) on account of the contractor's fee; and the contractor at such times shall deliver to the contracting officer original signed pay rolls for labor, original invoices for materials purchased, and all other original papers not theretofore delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into such statement upon which the contractor and the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor, on or about the ninth day of each month, the cost of the work mentioned in (1) and the fee mentioned in (3) of such statement, less all previous payments. When the statement above mentioned includes any work of reconstructing and replacing work destroyed or damaged, the payment on account of the fee in (3) for such reconstruction and replacement work shall be computed at such rate, not exceeding 3½ per cent, as the contracting officer may determine. The statement so made and all payments made thereto shall be final and binding upon both parties hereto, except as provided in article 14 thereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates above mentioned, or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee as determined under articles 2 and 3 thereof.

**ART. 5. Inspection and audit.**—The contracting officer shall at all times be afforded proper facilities for inspection of the work and shall at all times



have access to the premises, to the work and material, and to all records, correspondence, instructions, plans, drawings, receipts, vouchers, memoranda of every description of the contractor pertaining to said work and the contractor shall preserve for a period of two years after termination or cessation of work under this contract all the books, records, papers just mentioned. Any duly authorized representative of the contracting officer shall be accorded the privilege of examining the books, records, and the contracting officer relating to said work for the purpose of checking and verifying the cost of said work. The system of accounting to be used by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for material, or other bills legitimately incurred by the contractor hereunder, are not promptly paid by the contractor, the contracting officer may in his discretion refuse to make further payments to the contractor until all such bills past due shall have been paid. Should the contractor neglect to pay such bills within five days after notice from the contracting officer to do, then the contracting officer shall have the right to pay such bills directly, in which event such direct payments shall not be included in the cost of the work.

**ART. 6. Special requirements.**—The contractor hereby agrees that he will

(a) Begin the work herein specified at the earliest time practicable and diligently proceed so that such work may be completed at the earliest date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure and thereafter maintain such insurance in such form and for such amounts and for such periods of time as the contracting officer may require or prove.

(d) Procure all necessary permits and licenses, and obey and observe all laws, regulations, ordinances, and other rules applying to such work in the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, the contractor shall not enter into any contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purpose of the work hereunder, a provision that such contract is assignable to the United States; will make all such contracts in its own name, and will not purport to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions of this contract, the contractor shall require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to the subcontractor's work.

(g) At all times keep at the site of the work a duly appointed superintendent, who shall receive and execute on the part of the contractor such orders, directions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to not subvert the interest of the contracting officer and the United States.

**ART. 7. Right to terminate contract.**—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with diligence and diligence or default in the performance of any of the agreements contained in this contract, the contracting officer may, at his option, after five days' notice to the contractor, terminate the contract, and may enter upon the work and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and may complete, or employ any other person or persons to complete the work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the advance of the cost of the work and of the fee as will result in fully compensating the contractor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in article 4 hereof; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental at the election of the contracting officer, for any equipment retained; such compensation, in the event of termination, shall be in accordance with paragraph (c) of article 2, and in the event of termination shall be based upon the valuation determined by the contracting officer at the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims.

tractor against the contracting officer and the United States, or either of them, for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract, the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 8. Abandonment of work by contracting officer.**—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have therefore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 9. Bond.**—The contractor shall prior to commencing the said work furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$25,000, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract, and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor.

**ART. 10. Convict labor.**—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

**ART. 11. Hours and conditions of labor.**—No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor, or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld for the use and benefit of the United States: *Provided*, That this paragraph shall not be enforced nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to either this contract or any class of contracts in which this contract shall be included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or



to any emergency caused by fire, famine, or flood, by danger to life, property, or by other extraordinary events or conditions on account of which subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or other conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor immediately notify the contracting officer of the existence of such dispute and the reasons therefore. The contracting officer may, at his option, investigate the contractor or subcontractor involved in such dispute as to the methods by which the contractor or subcontractor should follow with reference to such dispute and the contractor or subcontractor shall thereupon comply with such directions.

ART. 12. *Right to transfer or sublet.*—Neither this contract, nor any part thereof, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing of the contracting officer, the contracting officer may refuse to carry out this contract, either with the transferor or transferee, but all rights of action for breach of this contract by the contractor are reserved to the United States.

ART. 13. *No participation in profits by Government officials.*—No Member of Congress, or Delegate to Congress, or Resident Commissioners, nor any other person holding office or employed in the military service of the United States, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract so far as it may be within the operation or exception of section 116 of the act of March 3, 1909 (35 Stats., 1109).

ART. 14. *Settlement of disputes.*—This contract shall be interpreted in its entirety, and the intent of the whole instrument, rather than the intent of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction he shall have the right to appeal the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

ART. 15. This contract shall bind and inure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein the same shall be construed to include his successors or any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

BREWER, TOMLINSON & FARR  
By R. G. TOMLINSON,  
Member of firm.

Witnesses:  
P. BREWER.  
O. M. JUNK.

UNITED STATES OF AMERICA  
By WARD DABNEY,  
Captain, Quartermaster Corps, Contracting Officer.

Witness:  
N. SCHELDs.

Bond of \$25,000, July 7, 1917; the Aetna Casualty & Surety Co., Hartford, Connecticut.

This is a true copy.

L. B. PERKINS  
Captain, Quartermaster Corps.

*Schedule of rental rates per day.*

Automobiles	\$5.00
Adding and listing machines	.20
Buckets, tipple and bottom dump	.25
Boring machine, pneumatic	.50
Boring machine, electric	.50
Buckets, orangepeel, 1 yard	3.50
Buckets, orangepeel, less than 1 yard	2.00
Buckets, clamshell	2.00
Boiler, and 3-drum engine	3.50
Boiler, and 2-drum engine	3.00
Boiler, and 1-drum engine	2.50
Boiler only, 30 horsepower and smaller	1.50
Boiler only, large than 30 horsepower	2.00
Block machine, concrete	1.50
Cars, skip, 1½ yards	.25
Cars, skip, 3 yards	.50
Cars, steel, 1 yard and smaller	.15
Cars, 4 yard wooden	.25
Cars, 6 yard wooden	.75
Cars, 12 yard wooden	2.00
Cars, 1 hopper, radical gate	.25
Crushers only	2.00
Crushers, with elevators and screen	3.00
Conveyor, gravity, per 100 feet	1.00
Compressor, 10 by 10 with steam engine	2.50
Compressor, 8 by 8 belt driven	1.00
Compressor, with gasoline engine on wheels	5.00
Compressor, Westinghouse, 9½ inches	1.00
Cableways, without engine	4.00
Drill, auto traction	5.00
Dump wagons	.25
Diving outfit with pumps	10.00
Derricks, 30 feet to 35 feet	2.00
Derricks, 30 feet to 59 feet	1.50
Derricks, less than 30 feet	1.00
Derricks, breast	.25
Derricks, circle swing	.25
Elevators, platform or bucket	.25
Elevators, with bins for concrete	.50
Engines, skeleton, 3 drum	2.00
Engines, skeleton, 2 drum	1.50
Engines, skeleton, 1 drum	1.00
Engines, steam, horizontal, 11 to 40 horsepower	1.50
Engines, steam, upright, to 10 horsepower	.30
Engines, gasoline, to 8 horsepower	.50
Engines, 2 drum, with electric motor	4.00
Engines, gasoline, 10 horsepower	1.00
Engines, derrick, swinging	.50
Hammers, riviting	.25
Hod elevating machine	1.00
Leveling instruments, engineers'	.25
Locomotive, 36-inch gauge	5.00
Locomotive, standard gauge	10.00
Mixers, with boiler, side loader	4.00
Mixers, with electric motors, 1 yard	4.00
Mixers, without boiler, less than 1 yard	2.00
Mixers, without boiler, 1 yard and larger	3.50
Mixers, with gasoline engine	3.00
Motor cycles	2.00
Motors, 2-horsepower	.15
Motors, 5-horsepower	.25
Motors, 10-horsepower	.50
Motors, 25-horsepower	1.00
Motors, 50-horsepower	2.00
Pumps, centrifugal, 10-inch, belt-driven	3.00

Pumps, centrifugal, 10-inch, with motor attached.....  
 Pumps, centrifugal, 8-inch, steam connected.....  
 Pumps, centrifugal, 6-inch, steam connected.....  
 Pumps, centrifugal, 4-inch, steam connected.....  
 Pumps, duplex and triplex, to 3-inch.....  
 Pumps, pulsometer, to 4-inch.....  
 Pumps, diaphragm.....  
 Pumps, diaphragm, with gas engine.....  
 Pumps, triplex, with belt drive.....  
 Pile drivers, drop.....  
 Pile drivers, drop, with single-drum engine and boiler.....  
 Pile hammers, steam, up to 2,500 pounds.....  
 Pile hammers, steam, larger than 2,500 pounds.....  
 Rail, per ton.....  
 Roller, horse.....  
 Steam drills.....  
 Small air drills.....  
 Steam roller.....  
 Steam shovel.....  
 Sprinkling cart.....  
 Saw benches.....  
 Saw benches, with motor or gasoline engine.....  
 Scale boxes.....  
 Scraper, wheel.....  
 Transits.....  
 Typewriter.....

Fuel and lubricants not included in these prices.

### LBP 12.

#### CONTRACT FOR EMERGENCY WORK.

Contract made and concluded this 10th day of July, 1917, by and W. H. Ringwald & Sons Co., a partnership of Chillicothe, Ohio, (hereinafter called contractor) and the United States of America, (hereinafter called contracting officer), (hereinafter called contracting officer) authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved 1917, that war exists between the United States of America and Germany, and a national emergency exists and the United States urgently requires the performance of the work hereinafter described, and it is necessary that the work shall be completed within the shortest possible time; and

Whereas it is advisable under the disturbed conditions which exist in the contracting industry throughout the country for the United States to depart from the usual procedure in the matter of letting contracts, and adopt a procedure that will insure the most expeditious results; and

Whereas, the contractor has had experience in the execution of similar work and has an organization suitable for the performance of such work, and to undertake the same upon the terms and conditions herein provided

Now, therefore, this contract witnesseth, that in consideration of the work to be done and of the payments to be made as hereinafter provided, the contractor covenants and agrees to and with the contracting officer as follows:

ARTICLE 1 *Extent of the work.*—The contractor shall, in the shortest time, furnish the labor, material, tools, machinery, equipment, facilities, supplies, and do all things necessary for the construction and completion of the following work:

Part of the grading, culverts and road building upon the cantonment at Chillicothe, Ohio, to the extent directed by contracting officer, in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instructions.

The contracting officer may, from time to time, by written instructions, drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or omission of work previously ordered, and the provisions of the contract shall apply to all such changes, modifications and additions with the same



if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of article 2 hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. Cost of the work.**—The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done, without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clam-shell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineers' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof as it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as herein after set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair valuation at that time of each part of such construction plan. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When, and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefore shall be paid to the contractor and title thereto shall vest in the United States. At the completion of the work, the constructing officer may at his option purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor the difference between the valuation of such part or parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such schedule rental rates may be agreed upon in writing between the contractor and the contracting officer, such rates to be in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall not be allowed any rental therefor and shall receive no fee for the use of such equipment.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during its use in the said work.

(e) Transportation and expenses to and from the work of the necessary field forces for the economical and successful prosecution of the work, procuring labor and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, foremen, and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is not applied to said work but is divided between said work and other work, his



salary shall be included in this item only in proportion to the actual salary paid to this work.

(g) Buildings and equipment required for necessary field offices, commissary and hospital and the cost of maintaining and operating said offices, commissary and hospital, including such minor expenses as telegrams, telephone service, expressage, postage, etc.

(h) Such bonds, fire liability, and other insurance as the contracting officer may approve or require; and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with third parties without the consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall be included in the cost of the work for the purpose of determining the contractor's fee. The cost of reconstructing and replacing any of the work damaged shall be included in the cost of the work for the purpose of determining the contractor's fee, but not for the purpose of determining the contractor's fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract, and necessarily incurred by the contractor under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling and hotel expenses of the contractor's officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work, when such an item is allowed by the contracting officer, it shall be specifically certified as being allowed by the contracting officer in this paragraph.

The United States reserves the right to pay directly to common carriers or all freight charges on material of all kinds, and machinery furnished under this contract and certified by the contracting officer as being for use in or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based, provided that charges for transportation of such construction equipment, construction plant, and distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the cost incurred in conducting the contractor's main office, or regularly established branch office, and no overhead expenses of any kind except as specifically provided above shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts and credits available, and when unable to take such advantage shall provide for the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, commissary facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense except as specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed, as fee to be determined at the time of completion of the work, from the following schedule, except as hereinafter provided:

If the cost of the work is under \$100,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of 12 per cent of such cost.

If the cost of the work is over \$125,000 and under \$250,000, a fee of 14 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of 15 per cent of such cost.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 16 per cent of such cost.

cost of the work is over \$500,000 and under \$535,714.29, a fee of

cost of the work is over \$535,714.29 and under \$3,000,000, a fee of 7  
of such cost.

cost of the work is over \$3,000,000 and under \$3,500,000, a fee of

cost of the work is over \$3,500,000, a fee of 6 per cent of such cost.

and, however, that the fee upon such part of the cost of the work as is  
paid by payments to subcontractors, under subdivision (b) above, shall  
of the above contingencies be 5 per cent and no more of the amount of  
of the cost.

of the materials purchased or furnished by the contracting officer  
work, exclusive of all freight charges thereon, shall be included in the  
of the work for the purpose of reckoning such fee to the contractor, but  
for other purpose.

for reconstructing and replacing any of the work destroyed or dam-  
age be such percentage of the cost thereof—not exceeding 7 per cent—as  
the contracting officer may determine.

of the fee to the contractor hereunder shall in no event exceed the sum  
of \$10,000, anything in this agreement to the contrary notwithstanding.

**Payments.**—On or about the 7th day of each month the contracting

officer shall cause the contractor shall prepare a statement showing as completely as

(1) the cost of the work up to and including the last day of the pre-

ceding, (2) the cost of the materials furnished by the contracting officer

including such last day, and (3) an amount equal to 3½ per cent, ex-

cept in otherwise provided, of the sum of (1) and (2) on account of the

contractor's fee; and the contractor at such times shall deliver to the contract-

ing officer original signed pay rolls for labor, original invoices for materials

, and all other original papers not theretofore delivered supporting

claims claimed by the contractor to be included in the cost of the work.

and the contracting officer can not agree, the decision of the contract-

ing officer as to such disputed item or items shall govern. The contracting

officer shall then pay to the contractor on or about the 9th day of each month

of the work mentioned in (1) and the fee mentioned in (3) of such

amount as less all previous payments, when the statement above mentioned

work of reconstructing and replacing work destroyed or damaged

is made on account of the fee in (3) for such reconstruction and replace-

ment shall be computed at such rate, not exceeding 3½ per cent, as the

contracting officer may determine. The statement so made and all payments

thereon shall be final and binding upon both parties hereto, except as

provided in article 14 hereof. The contracting officer may also make payments

at frequent intervals for the purpose of enabling the contractor to take

advantage of discounts at intervals between the dates above mentioned or for

other useful purposes. Upon final completion of said work the contracting

officer shall pay to the contractor the unpaid balance of the cost of the work

plus fee as determined under articles 2 and 3 hereof.

**Inspection and audit.**—The contracting officer shall at all times be af-

fordable facilities for inspection of the work and shall at all times have ac-

cess to the premises, to the work and material, and to all books, records, corre-

spondence, instructions, plans, drawings, receipts, vouchers, and memoranda

and description of the contractor pertaining to said work; and the contract-

ing officer shall preserve for a period of two years after its completion or cessation

under this contract, all the books, records, and other papers just men-

tioned. Any duly authorized representative of the contractor shall be accorded

the privilege of examining the books, records, and papers of the contracting

officer relating to said work for the purpose of checking up and verifying the

cost of said work. The system of accounting to be employed by the contractor

shall be such as is satisfactory to the contracting officer.

At any time the contracting officer shall find that bills for labor material,

and bills legitimately incurred by the contractor hereunder, are not

being paid by the contractor, the contracting officer may in his discretion

refuse to make further payments to the contractor until all such obligations

shall have been paid. Should the contractor neglect or refuse to pay

within five days after notice from the contracting officer so to do.



then the contracting officer shall have the right to pay such bills and in which event such direct payments shall not be included in the cost of the work.

ART. 6. *Special requirements.*—The contractor hereby agrees that

(a) Begin the work herein specified at the earliest time practicably and promptly proceed so that such work may be completed at the earliest possible date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure and thereafter maintain such insurance, in such form and for such amounts, and for such periods of time as the contracting officer may require.

(d) Procure all necessary permits and licenses, and obey and conform to all laws, regulations, ordinances, and other rules applying to such work in the United States of America, of the State or Territory wherein such work is to be done, or of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer in writing, every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States, will make all such contracts in its own name, and will not bind the contractor to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions of this contract, require the subcontractor to agree to comply fully with all the conditions and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such notices, conditions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to preserve and subserve the interest of the contracting officer and the United States.

ART. 7. *Right to terminate contract.*—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with promptness and diligence or default in the performance of any of the agreements contained in this contract, the contracting officer may, at his option, after five days' notice to the contractor, terminate this contract, and may enter upon the work and take possession, for the purpose of completing said work, of all tools, equipment, and appliances, and all options, privileges, and rights, and may complete or employ any other person or persons to complete the work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee thereon at the rate or rates for monthly payments set forth in article 2, and the contracting officer shall also pay to the contractor compensation by purchase or rental, at the election of the contracting officer, for the equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of the contractor's such possession. The contractor hereby agrees that such payments shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them for money or damages due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and be liable for all such obligations, commitments, and unliquidated claims of the contractor, which the contractor may have theretofore in good faith undertaken or incurred in connection with said work and the contractor shall, as a condition of the payments mentioned in this article, execute and deliver all such documents and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under this contract and its obligations or commitments. When the contracting officer shall have received the full amount of the payments provided for in the provisions of this article the contracting officer shall thereafter be entirely released and discharged of any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

ART. 8. *Abandonment of work by contracting officer.*—If conditions arise which, in the opinion of the contracting officer, make it advisable for the United States to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer

and become liable for all such obligations, commitments, and unliquidated the contractor may have theretofore, in good faith, undertaken or in connection with said work; and the contractor shall, as a condition of making the payments mentioned in this article, execute and deliver all bonds, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor in such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the fee for the work and of the fee, as will result in the contractor receiving reimbursement for the cost of the work up to the time of such abandonment. The fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the obligations or commitments assumed by the contracting officer, and the total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. The contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any claims, demands, actions, or claims of any kind on the part of the contractor or on account hereof.

**Bond.**—The contractor shall, prior to commencing the said work, furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$10,000, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract, and upon its prompt payment of all labor, material, or other service furnished to the contractor.

**Convict labor.**—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at the time imposed by the courts of any of the several States, Territories, or Districts having criminal jurisdiction.

**Hours and conditions of labor.**—No laborer or mechanic doing any work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated by this contract, shall be required or permitted to work more than eight hours in any calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics engaged in work under contracts to which the United States is a party. Any violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours on said work, and all penalties thus imposed shall be withheld for the benefit of the United States: *Provided*, That this paragraph shall not be enforced nor shall any penalty be exacted in case such violation shall be shown to be there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and the penalties thereof with respect to either this contract or any class of contracts to which this contract shall be included, or when the violation shall be shown to be caused by extraordinary events or conditions of manufacture, or to any extraordinary events or conditions on account of which, by subsequent order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or other conditions pertaining to said work, between the contractor or any subcontractor and the United States, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the United States therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps to be followed by the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions.

**Right to transfer or sublet.**—Neither this contract nor any interest therein shall be assigned or transferred. The contractor shall not enter into this contract for any part of the work herein specified without the consent in writing, in writing, of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out this contract with the transferor or transferee, but all rights of action for breach of this contract by the contractor are reserved to the United States.



ART. 13. *No participation in profits by Government officials.*—No or Delegate to Congress or Resident Commissioners, nor any other person belonging to or employed in the military service of the United States shall be admitted to any share or part of this contract, or to any benefit arising therefrom, but this article shall not apply to this contract so long as it may be within the operation or exception of section 116 of the act approved March 4, 1909 (35 Stats., 1109).

ART. 14. *Settlement of disputes.*—This contract shall be interpreted in whole and the intent of the whole instrument, rather than the intent of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of article 14 hereof, the matter shall be referred to the officer in charge of cantonment construction for decision. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, he shall have the right to submit the matter to the Secretary of War, whose decision shall be final and binding on all parties hereto.

ART. 15. This contract shall bind and inure to the contractor and his successors.

It is understood and agreed that wherever the words "contractor" are used herein, the same shall be construed to include his successors, assigns, or any other person to whom the duties of the contracting officer may be assigned by the Secretary of War and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

W. H. RINGWALD & SONS  
By W. E. RINGWALD.  
UNITED STATES OF AMERICA  
By \_\_\_\_\_,  
Contracting Officer.

This is a true copy.

L. B. PERKINS  
Captain Quartermaster

*Schedule of rental rates per day.*

Automobiles.....	
Adding and listing machines.....	
Buckets, tippie and bottom dump.....	
Boring machine, pneumatic.....	
Boring machine, electric.....	
Buckets, orange peel, 1 yard.....	
Buckets, orange peel, less than one yard.....	
Buckets, clamshell.....	
Boiler and 3-drum engine.....	
Boiler and 2-drum engine.....	
Boiler and 1-drum engine.....	
Boiler only, 30 horsepower and smaller.....	
Boiler only, larger than 30 horsepower.....	
Block machine, concrete.....	
Cars, skip, 1½ yards.....	
Cars, skip, 3 yards.....	
Cars, steel, 1 yard and smaller.....	
Cars, 4 yards, wooden.....	
Cars, 6 yards, wooden.....	
Cars, 12 yards, wooden.....	
Cars, 1 hopper, radial gate.....	
Crushers only.....	
Crushers, with elevator and screen.....	
Conveyor, gravity, per 100 feet.....	
Compressor, 10 by 10, with steam engine.....	
Compressor, 8 by 8, belt driven.....	
Compressor, with gasoline engine on wheels.....	
Compressor, Westinghouse, 9½ inches.....	
Cableways, without engine.....	

traction.....	\$5. 00
ns.....	. 25
, with pumps.....	10. 00
feet to 85 feet.....	2. 00
feet to 59 feet.....	1. 50
ss than 30 feet.....	1. 00
reast.....	. 25
rcle swing.....	. 25
platform or bucket.....	. 25
with bins for concrete.....	. 50
leton, 3 drum.....	2. 00
leton, 2 drum.....	1. 50
leton, 1 drum.....	1. 00
am, horizontal, 11 to 40 horsepower.....	1. 50
am, upright, to 10 horsepower.....	. 50
oline, to 8 horsepower.....	. 50
rum, with electric motor.....	4. 00
oline, 10 horsepower.....	1. 00
rick, swinging.....	. 50
iveting.....	. 25
g machine.....	1. 00
truments, engineers'.....	. 35
36-inch gauge.....	5. 00
standard gauge.....	10. 00
n boiler side loader.....	4. 00
electric motors, 1 yard.....	4. 00
out boiler, less than 1 yard.....	2. 00
out boiler, 1 yard and larger.....	3. 50
n gasoline engine.....	3. 00
s.....	1. 00
orsepower.....	. 15
orsepower.....	. 25
orsepower.....	. 50
orsepower.....	1. 00
orsepower.....	2. 00
rifugal, 10-inch, belt driven.....	3. 00
rifugal, 10-inch, with motor attached.....	4. 00
rifugal, 8-inch, steam connected.....	2. 00
rifugal, 6-inch, steam connected.....	1. 50
rifugal, 4-inch, steam connected.....	1. 00
ex and triplex to 3-inch.....	. 50
ometer to 4-inch.....	1. 55
hragm.....	. 20
hragm, with gas engine.....	1. 05
ex, with belt drive.....	. 20
drop.....	1. 50
drop, with single-drum engine and boiler.....	3. 50
s, steam, up to 2,500 pounds.....	3. 00
s, steam, larger than 2,500 pounds.....	3. 00
n.....	. 06
e.....	1. 00
.....	1. 00
ills.....	. 50
.....	8. 00
el.....	30. 00
cart.....	1. 00
.....	. 25
, with motor or gasoline engine.....	. 50
.....	. 25
eel.....	. 50
.....	. 50
.....	. 10

lubricants not included in these prices.

LBP. No. 13.

## CONTRACT FOR EMERGENCY WORK.

Contract made and concluded this 10th day of July, 1917, by and J. F. Perry, an individual of Chillicothe, Ohio, first part (hereinafter contractor) and the United States of America, by Capt. Ward Dabney, master Corps (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas the congress having declared by joint resolution approved July 6, 1917, that war exists between the United States of America and Germany, and a national emergency exists and the United States urgently require the immediate performance of the work hereinafter described, and it is the intent of the Congress that said work shall be completed within the shortest possible time;

Whereas it is advisable under the disturbed conditions which exist in the contracting industry throughout the country for the United States to depart from the usual procedure in the matter of letting contracts, and adopt such measures that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided;

Now, therefore, this contract witnesseth, that in consideration of the sum of money and of the payments to be made as hereinafter provided, the contractor covenants and agrees to and with the contracting officer as follows:

**ARTICLE 1. *Extent of the work.***—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work:

Part of the grading, culverts, and road building upon the cantonment at Chillicothe, Ohio, to the extent directed by contracting officer and in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direct instruction.

The contracting officer may from time to time, by written instructions, drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same force as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall remain in the United States, and upon delivery at the site of the work and upon inspection and acceptance in writing by the contracting officer all machinery, equipment, hand tools, supplies, and materials for which the contractor shall be reimbursed to be reimbursed under paragraph (a) of article 2 hereof shall be the property of the United States. These provisions as to title shall not be construed to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. *Cost of the work.***—The contractor shall be reimbursed in the full for the work hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer. The following items are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the contractor, supplies, and equipment necessary for either temporary or permanent construction to the benefit of said work, but this shall not be construed to cover material or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this contract.

(c) Rental actually paid by the contractor at rates not to exceed those mentioned in the schedule of rental rates hereto attached for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clam-shell or other buckets, electric motors, electric drills, hammers, electric hoists, steam shovels, locomotive cranes, power saws,



ls and transits, and such other equipment as may be necessary for and economical prosecution of the work.

o the contractor for such construction plant or parts thereof as it and furnish, at the rates mentioned in the schedule of rental rates attached, except as hereinafter set forth. When such construction plant rt thereof shall arrive at the site of the work the contractor shall the contracting officer a schedule setting forth the fair valuation at of each part of such construction plant. Such valuation shall be al unless the contracting officer shall within five days after the has been set up and is working modify or change such valuation, in at the valuation so made by the contracting officer shall be deemed en and if the total rental paid to the contractor for any such part the valuation thereof no further rental therefor shall be paid to ctor and title thereto shall vest in the United States. At the com- the work the constructing officer may at his option purchase for the ates any part of such construction plant then owned by the con- paying to the contractor the difference between the valuation of such rts and the total rentals theretofore paid therefor.

rental as substitutes for such scheduled rental rates may be agreed riting between the contractor and the contracting officer, such rates onformity with rates of rental charged in the particular territory he work covered by this contract is to be performed. If the con- ficer shall furnish or supply any such equipment, the contractor shall owed any rental therefor and shall receive no fee for the use of such

ding and unloading such construction plant, the transportation and from the place or places where it is to be used in connection with subject to the provisions hereinafter set forth, the installation and g thereof, and ordinary repairs and replacements during its use work.

nsportation and expenses to and from the work of the necessary s for the economical and successful prosecution of the work, pro- r and expediting the production and transportation of material ment.

ries of resident engineers, superintendents, timekeepers, foremen, employees at the field offices of the contractor in connection with said case the full time of any field employee of the contractor is not said work, but is divided between said work and other work, his ll be included in this item only in proportion to the actual time this work.

ddings and equipment required for necessary field offices, commissary, al, and the cost of maintaining and operating said offices, commissary, al, including such minor expenses as telegrams, telephone service, , postage, etc.

h bonds, fire liability, and other insurance as the contracting officer ve or require; and such losses and expenses, not compensated by or otherwise, as are found and certified by the contracting officer en actually sustained (including settlements made with the written d approval of the contracting officer) by the contractor in connection work, and to have clearly resulted from causes other than the fault of the contractor. Such losses and expenses shall not be included of the work for the purpose of determining the contractor's fee. The constructing and replacing any of the work destroyed or damaged cluded in the cost of the work for the purpose of reimbursement to ctor, but not for the purpose of determining the contractor's fee, hereinafter provided.

nit fees, deposits, royalties, and other similar items of expense inci- he execution of this contract, and necessarily incurred. Expenditures item must be approved in advance by the contracting officer.

a proportion of the transportation, traveling, and hotel expenses of ineers, and other employees of the contractor as is actually incurred ion with this work.

h other items as should, in the opinion of the contracting officer, be n the cost of the work. When such an item is allowed by the con- ficer, it shall be specifically certified as being allowed under this

The United States reserves the right to pay directly to common carriers or all freight charges on material of all kinds and machinery furnished under this contract and certified by the contracting officer as being for use in or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it may incur, and as shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges by the contractor for transportation of construction equipment, construction plant, tools, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based, but charges for transportation of such construction equipment, construction plant, and tools over distances in excess of 500 miles shall require the approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the cost incurred in conducting the contractor's main office or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work; nor shall any capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage, to the extent of its ability, of all discounts available, and when unable to take such advantage shall notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

ART. 3. *Determination of fee.*—As full compensation for the services of the contractor, including profit and all general overhead expense, except as specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed as fee, to be determined at the time of completion of the work, from the following schedule, except as herein otherwise provided:

If the cost of the work is under \$100,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$125,000 and under \$250,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of 10 per cent of such cost.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 8 per cent of such cost.

If the cost of the work is over \$500,000 and under \$535,714.29, a fee of 8 per cent of such cost.

If the cost of the work is over \$535,714.29 and under \$3,000,000 a fee of 6 per cent of such cost.

If the cost of the work is over \$3,000,000 and under \$3,500,000, a fee of 6 per cent of such cost.

If the cost of the work is over \$3,500,000, a fee of 6 per cent of such cost. Provided, however, that the fee upon such part of the cost of the work represented by payments to subcontractors under subdivision (b) of Article 2 shall in each of the above contingencies be 5 per cent, and no more, of the cost of such part of the cost.

The cost of materials purchased or furnished by the contractor for the work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof, not exceeding 7 per cent, as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$250,000, anything in this agreement to the contrary notwithstanding.

ART. 4. *Payments.*—On or about the 7th day of each month the contracting officer and the contractor shall prepare a statement showing as completely as possible (1) the cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contractor up to and including such last day, and (3) an amount equal to 3 per cent of the sum of (1) and (2) on which the contractor's fee is based, except as herein otherwise provided, of the sum of (1) and (2) on which the contractor's fee is based; and the contractor at such times shall deliver to the contracting officer original signed pay rolls for labor, original invoices for materials, and original bills for freight.



purchased, and all other original papers not theretofore delivered expenditures claimed by the contractor to be included in the cost of

If there be any item or items entering into such statement upon contractor and the contracting officer can not agree, the decision of contracting officer as to such disputed item or items shall govern. The contractor shall then pay to the contractor on or about the 9th day of each month the cost of the work mentioned in (1) and the fee mentioned in (3) of the statement, less all previous payments, when the statement above mentions any work of reconstructing and replacing work destroyed or damaged by the contractor, the payment on account of the fee in (3) for such reconstruction and the cost of the work shall be computed at such rate, not exceeding 3½ per cent, as the contracting officer may determine. The statement so made and all payments thereon shall be final and binding upon both parties hereto, except as provided in article 14 hereof. The contracting officer may also make payments at frequent intervals for the purpose of enabling the contractor to meet the stage of discounts at intervals between the dates above mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and the fee as determined under articles 2 and 3 hereof.

**Inspection and audit.**—The contracting officer shall at all times be provided with proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda and a description of the contractor pertaining to said work; and the contractor shall preserve for a period of two years after its completion or cessation under this contract all the books, records, and other papers just mentioned. Any duly authorized representative of the contractor shall be accorded the right of examining the books, records, and papers of the contractor pertaining to said work for the purpose of checking up and verifying the work. The system of accounting to be employed by the contractor shall be such as is satisfactory to the contracting officer.

At any time the contracting officer shall find that bills for labor, material, and other expenses legitimately incurred by the contractor hereunder are not promptly paid to the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such obligations past due shall have been paid. Should the contractor neglect or refuse to pay such bills within ten days after notice from the contracting officer so to do, then the contracting officer shall have the right to pay such bills directly, in which event such payments shall not be included in the cost of the work.

**Special requirements.**—The contractor hereby agrees that it will—  
 (1) perform the work herein specified at the earliest time practicable and diligence so that such work may be completed at the earliest possible date.  
 (2) promptly pay for all labor, material, or other service rendered.  
 (3) insure, and thereafter maintain, such insurance in such forms and in such amounts and for such periods of time as the contracting officer may approve.  
 (4) procure all necessary permits and licenses, and obey and abide by all regulations, ordinances, and other rules applying to such work of the United States of America, of the State or Territory wherein such work is done, or any division thereof, or of any duly constituted public authority.  
 (5) If, under this provision is waived by the contracting officer, insert in every contract made by it for the furnishing of it of services, materials, supplies, and equipment, or the use thereof, for the purposes of the work a provision that such contract is assignable to the United States; and that all such contracts in its own name, and will not bind or purport to bind the United States or the contracting officer thereunder.  
 (6) That every subcontract made in accordance with the provisions hereof by the contractor shall require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.  
 (7) That the contractor at all times keep at the site of the work a duly appointed representative, who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.  
 (8) That the contractor at all times use its best efforts in all its acts hereunder to protect and promote the interest of the contracting officer and the United States.

ART. 7. *Right to terminate contract.*—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with prompt diligence, or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days' written notice to the contractor, terminate this contract and may enter upon the property taken into possession, for the purpose of completing said work, of all material, equipment, and appliances, and all options, privileges, and rights, complete, or employ any other person or persons to complete, said work in case of such termination of the contract, the contracting officer shall be entitled to recover from the contractor such amounts of money on account of the unpaid balance of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee thereon at the rate or rates for monthly payments set forth in article 6, and the contracting officer shall also pay to the contractor compensation by purchase or rental at the election of the contracting officer, for any material or equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of such possession. The contractor hereby agrees that such payments shall constitute full settlement of all claims of the contractor against the contracting officer and the United States, or either of them, for money or property due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and be liable for all such obligations, commitments, and unliquidated claims of the contractor which the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and take all such steps as the contracting officer may require for the full vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article the contractor shall thereafter be entirely released and discharged of and from all such obligations, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

ART. 8. *Abandonment of work by contracting officer.*—If conditions arise which in the opinion of the contracting officer make it advisable to cease work under this contract the contracting officer may at his option, terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and take all such steps as the contracting officer may require for the full vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee thereon computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations and commitments assumed by the contracting officer, and such total shall be the cost of the work upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article the contractor shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

ART. 9. *Bond.*—The contractor shall prior to commencing the said work execute and deliver to the contracting officer, in full, a bond, with sureties satisfactory to the contracting officer, in the sum of \$10,000, conditioned upon its full and faithful performance of all the conditions, and provisions of this contract, and upon its prompt payment of bills for labor, material, or other service furnished to the contractor.

ART. 10. *Convict labor.*—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment or labor imposed by the courts of any of the several States, Territories, or Possessions having criminal jurisdiction.



*Hours and conditions of labor.*—No laborer or mechanic doing any work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work, shall be required or permitted to work more than eight hours in any one day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics employed on work under contracts to which the United States is a party. Violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours on said work, and all penalties thus imposed shall be withheld from the contractor until the United States; provided, that this paragraph shall not be enforced nor shall any penalty be exacted in case such violation shall have occurred there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to either this contract or any class of contracts in which such contract shall be included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, mine, or flood, by danger to life or property, or by other extraordinary conditions on account of which, by subsequent Executive order, such violation shall have been excused. In the event of any dispute with reference to wages, hours, or other conditions pertaining to said work between the contractor or any subcontractor and any laborer employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the facts therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps to be followed by the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions.

*Right to transfer or sublet.*—Neither this contract nor any interest therein shall be assigned or transferred. The contractor shall not enter into any contract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out this contract together with the transferee or transferee, but all rights of action for breach of this contract by the contractor are reserved to the United States. *No participation in profits by Government officials.*—No Member of either House of Congress or Resident Commissioner, nor any other person before or employed in the military service of the United States, is or shall be entitled to any share or part of this contract or to any benefit that may accrue therefrom; but this article shall not apply to this contract so far as it relates to the operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

*Settlement of disputes.*—This contract shall be interpreted as to its meaning and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer under the provisions of article 14 hereof, the matter shall be referred to the contracting officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the contracting officer of cantonment construction, he shall have the right to submit the matter to the Secretary of War, whose decision shall be final and binding upon the contractor as hereto.

This contract shall bind and inure to the contractor and its successors. The contractor understands and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successor in office, or any other person to whom the duties of the contracting officer may be assigned by the Secretary of War and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first ab all in triplicate.

J. F. PERRY.

Witness:

VESTA E. YAPES.

UNITED STATES OF AM

By WARD DABNEY,

Captain, Quartermaster Corps, Contracting

Witness:

R. B. MYERS.

Bond of \$10,000, July 10, 1917; the Aetna Casualty & Surety C necticut.

A true copy.

L. B. PER

Captain, Quartermaster

*Schedule of rental rates per day.*

Automobiles.....  
 Adding and listing machines.....  
 Buckets, tippie, and bottom dump.....  
 Boring machine, pneumatic.....  
 Boring machine, electric.....  
 Buckets, orange-peel, 1 yard.....  
 Buckets, orange-peel, less than 1 yard.....  
 Buckets, clamshell.....  
 Boiler and 3-drum engine.....  
 Boiler and 2-drum engine.....  
 Boiler and 1-drum engine.....  
 Boiler only, 30 horsepower and smaller.....  
 Boiler only, larger than 30 horsepower.....  
 Block machine, concrete.....  
 Cars, skip, 1½ yards.....  
 Cars, skip, 3 yards.....  
 Cars, steel, 1 yard and smaller.....  
 Cars, 4-yard, wooden.....  
 Cars, 6-yard, wooden.....  
 Cars, 12-yard, wooden.....  
 Cars, 1 hopper, radial gate.....  
 Crushers only.....  
 Crushers, with elevator and screen.....  
 Conveyor, gravity, per 100 feet.....  
 Compressor, 10 by 10, with steam engine.....  
 Compressor, 8 by 8, belt driven.....  
 Compressor, with gasoline engine on wheels.....  
 Compressor, Westinghouse, 9½ inches.....  
 Cableways, without engine.....  
 Drill, auto traction.....  
 Dump wagons.....  
 Diving outfit, with pumps.....  
 Derricks, 60 feet to 85 feet.....  
 Derricks, 30 feet to 59 feet.....  
 Derricks, less than 30 feet.....  
 Derricks, breast.....  
 Derricks, circle swing.....  
 Elevators, platform or bucket.....  
 Elevators, with pins, for concrete.....  
 Engines, skeleton, 3-drum.....  
 Engines, skeleton, 2-drum.....  
 Engines, skeleton, 1-drum.....  
 Engines, steam, horizontal, 11 to 40 horsepower.....  
 Engines, steam, upright, to 10 horsepower.....  
 Engines, gasoline, to 8 horsepower.....  
 Engines, 2-drum, with electric motor.....  
 Engines, gasoline, 10 horsepower.....  
 Engines, derrick, swinging.....



diveting	\$0. 25
ing machine	1. 00
truments, engineers	. 25
36-inch gauge	5. 00
standard gauge	10. 00
a boiler sideloader	4. 00
n electric motors, 1 yard	4. 00
out boiler, less than 1 yard	2. 00
out boiler, 1 yard and larger	3. 50
a gasoline engine	3. 00
s	1. 00
orsepower	. 15
orsepower	. 25
orsepower	. 50
orsepower	1. 00
orsepower	2. 00
rifugal, 10-inch, belt driven	3. 00
rifugal, 10-inch, with motor attached	4. 00
rifugal, 8-inch, steam connected	2. 00
rifugal, 6-inch, steam connected	1. 50
rifugal, 4-inch, steam connected	1. 00
lex and friplex to 3-inch	. 50
ometer to 4-inch	1. 55
ohragm	. 20
ohragm, with gas engine	1. 05
lex, with belt drive	. 20
, drop	1. 50
, drop, with single-drum engine and boiler	3. 50
rs, steam, up to 2,500 pounds	3. 00
rs, steam, larger than 2,500 pounds	5. 00
on	. 06
e	1. 00
s	1. 00
rills	. 50
r	8. 00
el	30. 00
cart	1. 00
s	. 25
s, with motor or gasoline engine	. 50
	. 25
eel	. 50
	. 50
	. 10

lubricants not included in these prices.

### LBP 1.

#### CONTRACT FOR EMERGENCY WORK.

made and concluded this 5th day of September, 1918, by and W. McGrath, E. H. McGrath, F. J. McGrath, and H. A. McGrath, composing the firm of D. W. McGrath, Columbus, Ohio, party of art (hereinafter called contractor), and the United States of R. C. Marshall, jr., Brigadier General, United States Army (here- contracting officer), acting by authority of the Secretary of of the second part.

the Congress having declared, by joint resolution approved April t war exists between the United States of America and Germany, emergency exists and the United States urgently requires the imme- manence of the work hereinafter described, and it is necessary that shall be completed within the shortest possible time; and it is advisable, under the disturbed conditions which exist in the industry throughout the country, for the United States to depart ual procedure in the matter of letting contracts, and adopt means ure the most expeditious results; and



Whereas the contractor has had experience in the execution of such work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions hereinafter provided; and

Whereas it is not practicable to do the work hereinafter provided under any form of contract other than that which hereinafter follows, and will circumstances permit the delay in letting this contract until three responsible competing contractors shall have been notified and considered in connection with such contract and the awarding of the same to the lowest bidder.

Now, therefore, this contract witnesseth, that in consideration of the sums and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

**ARTICLE 1. *Extent of the work.***—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, and supplies, and do all things necessary for the construction and completion of the following work: Additional barracks, mess halls, kitchens, and buildings and structures, and such other work as it may be ordered by the contracting officer to do at Camp Sherman, Chillicothe, Ohio, in accordance with the drawings and specifications to be furnished by the contracting officer and in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, and the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall remain in the United States; and upon delivery at the site of the work, and upon acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor is entitled to be reimbursed under paragraph (a) of article 2 hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereon by the contracting officer.

**ART. 2. *Cost of the work.***—The contractor shall be reimbursed in full hereinafter described for such of its actual net expenditures incurred in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the contractor, men, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to include machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages for labor in the locality where said work is being done, without the prior written approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this contract.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, cranes, mixers, boilers, clamshell or other buckets, electric motors, electric hammers, electric hoists, steam shovels, locomotive cranes, saws, engineers' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof that it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth a fair valuation at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, notify the contractor to change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When and if the total rental for the construction of the work shall be determined, the rental for each part of the construction shall be the same as the rental for any such part shall equal the valuation thereof.

shall therefor shall be paid to the contractor, and title thereto shall be in the United States. At the completion of the work, the contracting officer may at his option purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor an amount equal to the valuation of such part or parts and the total rentals therefor.

Rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, such rates being in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer will furnish or supply any such equipment, the contractor shall not be liable for any rental therefor and shall receive no fee for the use of such equipment.

Loading and unloading such construction plant, the transportation of the same to and from the place or places where it is to be used in connection with the work, subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during the progress of the said work.

Transportation and expenses to and from the work of the necessary character for the economical and successful prosecution of the work, production and expediting the production and transportation of material for the work.

Salaries of resident engineers, superintendents, timekeepers, foremen, and other employees at the field offices of the contractor in connection with the work. In case the full time of any field employee of the contractor is not devoted to said work but is divided between said work and other work his compensation shall be included in this item only in proportion to the actual time spent on this work.

Buildings and equipment required for necessary field offices, commissary, hospital, and the cost of maintaining and operating said offices, commissary, hospital, including such minor expenses as telegrams, telephone calls, expressage, postage, etc.

Such bonds, fire, public liability, employers' liability, workmen's compensation and other insurance as the contracting officer may approve or require and such losses and expenses, not compensated by insurance or otherwise found and certified by the contracting officer to have been actually incurred (including settlements made with the written consent and approval of the contracting officer) by the contractor in connection with said work and which have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contractor's fee. The cost of reconstruction and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of reimbursement to the contractor, but shall not be included in the cost of the work for the purpose of determining the contractor's fee, except as hereinafter provided.

Permit fees, deposits, royalties, and other similar items of expense incurred in connection with the execution of this contract, and necessarily incurred. Expenses under this item must be approved in advance by the contracting officer.

Such proportion of the transportation, traveling, and hotel expenses of the contractor's engineers, and other employees of the contractor as is actually incurred in connection with this work.

Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed by the contracting officer it shall be specifically certified as being allowed under this item.

The United States reserves the right to pay directly to common carriers any freight charges on material of all kinds and machinery furnished under this contract and certified by the contracting officer as being for installation or use in the course of the work hereunder; the contractor shall not be liable for such freight charges of this character as it shall pay and shall not be specifically certified by the contracting officer, but the contractor shall not be liable for such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based, provided that charges for transportation of such construction equipment, construction plant and



tools over distances in excess of 500 miles shall require the special of the contracting officer.

No salaries of the contractor's executive officers, no part of the incurred in conducting the contractor's main office or regularly established branch office, and no overhead expenses of any kind, except as specifically above, shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all accounts available, and when unable to take such advantage shall notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, and other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the service of the contractor, including profit and all general overhead expense, except as specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed a fee to be determined at the time of completion of the work from the following schedule, except as hereinafter provided:

If the cost of the work is \$100,000 or under, a fee of 7 per cent of the cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of 6 per cent.

If the cost of the work is over \$125,000 and under \$450,000, a fee of 5 per cent.

If the cost of the work is over \$450,000 and under \$500,000, a fee of 4 per cent.

If the cost of the work is over \$500,000 and under \$1,000,000, a fee of 3 per cent.

If the cost of the work is over \$1,000,000 and under \$1,100,000, a fee of \$60,000.

If the cost of the work is over \$1,100,000 and under \$1,500,000, a fee of \$82,500.

If the cost of the work is over \$1,500,000 and under \$1,650,000, a fee of \$110,000.

If the cost of the work is over \$1,650,000 and under \$2,200,000, a fee of 4½ per cent.

If the cost of the work is over \$2,200,000 and under \$2,450,000, a fee of 4¼ per cent.

If the cost of the work is over \$2,450,000 and under \$2,850,000, a fee of 4¼ per cent.

If the cost of the work is over \$2,850,000 and under \$3,250,000, a fee of 4¼ per cent.

If the cost of the work is over \$3,250,000 and under \$4,000,000, a fee of 4¼ per cent.

If the cost of the work is over \$4,000,000 and under \$4,250,000, a fee of 4¼ per cent.

If the cost of the work is over \$4,250,000 and under \$4,775,000, a fee of 4¼ per cent.

If the cost of the work is over \$4,775,000 and under \$5,175,000, a fee of 4¼ per cent.

If the cost of the work is over \$5,175,000 and under \$5,725,000, a fee of 4¼ per cent.

If the cost of the work is over \$5,725,000 and under \$6,225,000, a fee of 4¼ per cent.

If the cost of the work is over \$6,225,000 and under \$6,825,000, a fee of 4¼ per cent.

If the cost of the work is over \$6,825,000 and under \$7,400,000, a fee of 4¼ per cent.

If the cost of the work is over \$7,400,000 and under \$7,750,000, a fee of 4¼ per cent.

If the cost of the work is over \$7,750,000 and under \$8,350,000, a fee of 4¼ per cent.

If the cost of the work is over \$8,350,000 and under \$8,800,000, a fee of 4¼ per cent.

If the cost of the work is over \$8,800,000 and under \$9,650,000, a fee of 4¼ per cent.

If the cost of the work is over \$9,650,000 and under \$10,000,000, a fee of 4¼ per cent.

If the cost of the work is over \$10,000,000, a fee of \$250,000.

, however, That the fee upon such part of the cost of the work presented by payments to subcontractors, under subdivision (b) of hereof, shall in each of the above contingencies be  $2\frac{1}{2}$  per cent and the amount of such part of the cost.

of materials purchased or furnished by the contracting officer for exclusive of all freight charges thereon, shall be included in the work for the purpose of reckoning such fee to the contractor, but for purpose.

for reconstructing and replacing any of the work destroyed or shall be such percentage of the cost thereof—not exceeding 7 per cent the contracting officer may determine.

al fee to the contractor hereunder shall in no event exceed the \$10,000, anything in this agreement to the contrary notwithstanding.

**Payments.**—On or about the 7th day of each month the contracting officer shall prepare a statement showing as completely

(1) the cost of the work up to and including the last day of the month, (2) the cost of the materials furnished by the contracting officer and including such last day, and (3) an amount equal to  $2\frac{1}{2}$  per cent as herein otherwise provided, of the sum of (1) and (2) on the contractor's fee; and the contractor at such time shall deliver to the contracting officer original signed pay rolls for labor, original invoices for materials purchased, and all other original papers not theretofore delivered. Expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into such statement upon which the contractor and the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contractor shall then pay to the contractor on or about the 9th day of each month the cost of the work mentioned in (1) and the fee mentioned in (3) in statement, less all previous payments. When the statement above includes any work of reconstructing and replacing work destroyed or replaced, the payment on account of the fee in (3) for such reconstruction and replacing work shall be computed at such rate, not exceeding  $2\frac{1}{2}$  per cent the contracting officer may determine. The statement so made and the payments made thereon shall be final and binding upon both parties except as provided in article 14 hereof. The contracting officer may make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee as determined under articles 2 and 3

**Inspection and audit.**—The contracting officer shall at all times provide proper facilities for inspection of the work and shall at all times be accessible to the premises, to the work and material, and to all books, correspondence, instructions, plans, drawings, receipts, vouchers and other documents of every description of the contractor pertaining to said work; and the contractor shall preserve for a period of two years after its completion of work under this contract, all the books, records and documents just mentioned. Any duly authorized representative of the contracting officer shall be accorded the privilege of examining the books, records, and documents of the contracting officer relating to said work for the purpose of ascertaining and verifying the cost of said work. The system of accounting employed by the contractor shall be such as is satisfactory to the contracting officer.

At any time the contracting officer shall find that bills for labor, material, and other bills legitimately incurred by the contractor hereunder, are not paid by the contractor, the contracting officer may, in his discretion, withhold further payments to the contractor until all such obligations shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer, then the contracting officer shall have the right to pay such bills on behalf of the contractor, in which event such direct payment shall not be included in the cost of the work.

**Special requirements.**—The contractor hereby agrees that it will: (1) perform the work herein specified at the earliest time practicable, and (2) proceed so that such work may be completed at the earliest possible



(b) Promptly pay for all labor, material, or other services.  
 (c) Procure and thereafter maintain such insurance for such amounts and for such periods of time as the contracting officer approve or require.

(d) Procure all necessary permits and licenses, and comply with all laws, regulations, ordinances, and other rules applicable to the United States of America, of the State or Territory or any subdivision thereof, or of any duly constituted authority.

(e) Unless this provision is waived by the contracting officer in every contract made by it for the furnishing to it of materials, supplies, machinery, and equipment, or the use thereof in the work hereunder, a provision that such contract is intended to bind the United States or the contracting officer.

(f) In every subcontract made in accordance with the contract, require the subcontractor to agree to comply fully with the terms and obligations of the contract herein, except insofar as such subcontractor's work.

(g) At all times keep at the site of the work a competent person who shall receive and execute on the part of the contractor the directions, and instructions as the contracting officer may give.

(h) At all times use its best efforts in all its operations to subserve the interest of the contracting officer and the United States.

ART. 7. *Right to terminate contract.*—Should the contractor refuse, neglect, or fail in any respect to prosecute the work with diligence, or default in the performance of any of the obligations attained, the contracting officer may, at his option, terminate the contract to the contractor, terminate this contract, and take possession, for the purpose of completing the work, of all equipment, and appliances, and all options, property, or complete or employ any other person or persons to complete the work of such termination of the contract, the contractor shall be liable to the contractor such amounts of money on account of the work and of the fee as will result in the cost of the work up to the time of such termination thereon at the rate or rates for monthly pay and the contracting officer shall also pay to the contractor by purchase or rental, at the election of the contracting officer, the equipment retained; such compensation, in the event of termination with paragraph (c) of article 2, and in the event of termination the valuation determined by the contracting officer at such possession. The contractor hereby agrees that such shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them due to the contractor for any reason whatsoever in connection with the contract the contracting officer shall be liable for all such obligations, commitments, and claims, and may have theretofore in good faith under the contract, and the contractor shall, as mentioned in this article, execute and do all the steps as the contracting officers may require. The contractor hereby waives him the rights and benefits of the commitments. When the contracting officer has been satisfied upon him under the provisions of this article, he shall thereafter be entirely released and discharged from all obligations, or claims of any kind on the part of the contractor on the account hereof.

ART. 8. *Abandonment of work by contractor.*—If the contractor arise which in the opinion of the contracting officer is necessary to cease work under this contract, the contractor may work and terminate this contract. In such case the contractor shall assume and become liable for all such claims as the contractor may have incurred in connection with said work, and the contractor shall be of receiving the payments mentioned in this article, and take all such steps as may be necessary for the purpose of fully complying with the contract.

under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 9. Bond.**—The contractor shall, prior to commencing the said work, furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$100,000, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract, and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor.

**ART. 10. Convict labor.**—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

**ART. 11. Hours and conditions of labor.**—No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld for the use and benefit of the United States: *Provided*, That this paragraph shall not be enforced nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to either this contract or any class of contracts in which this contract shall be included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by other extraordinary events or conditions on account of which, by subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or other conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps which the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions.

**ART. 12. Right to transfer or sublet.**—Neither this contract, nor any interest therein, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out this contract either with the transferor or transferee, but all rights of action for any breach of this contract by the contractor are reserved to the United States.

**ART. 13. No participation in profits by Government officials.**—No Member of, or Delegate to, Congress, or Resident Commissioner, nor any other person belonging to or employed in the military service of the United States, is or shall be admitted to my share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract so far as it may be within the operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

ART. 14. *Settlement of disputes.*—This contract shall be interpreted whole and the intent of the whole instrument, rather than the intent of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider itself prejudiced by any decision of the contracting officer under the provisions of article 4 hereof, the matter shall be referred to the contracting officer in charge of the construction division of the Army for determination. If, however, the contractor shall feel aggrieved by the decision of that officer, he shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

ART. 15. This contract shall bind and inure to the contractor and his successors.

It is understood and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successor or any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

D. W. McGRATH,  
E. H. McGRATH,  
F. J. McGRATH,  
H. A. McGRATH,

*Members of the*

Witnesses:

J. A. McDONALD.  
C. H. JOHN.

UNITED STATES OF AMERICA  
By R. C. MARSHALL, Jr., E.

*Brigadier General, United States of America, Contracting Officer*

Witnesses:

M. J. SWAYZEE,  
B. MOTTER,

A true copy.

L. B. PERKINS  
*Captain, Quartermaster*

#### SCHEDULE OF RENTAL RATES PER DAY.

The following ranges of rental rates are shown only as an indication of what may be allowed. Rentals will be fixed by contracting officer, who shall take into consideration sizes, capacities, conditions, and fair market value of equipment. Rentals for equipment not shown on list following will be determined as provided in last paragraph of section (c) of article 2 hereof.

Automobiles	\$2.
Adding and listing machines and typewriters	
Buckets, tippie, bottom dump, orange-peel, clam-shell, etc.	
Boring machines, power driven	
Back fillers, power driven	2
Block machines, concrete	
Boilers, upright and horizontal	1
Cars, steel or wooden, contractors'	
Crushers, stone	
Compressors	1
Derricks, with or without power	
Dirt spreaders	2
Diving outfits, complete	
Engines, skeleton, with or without slewing gears	2
Engines, traction	2
Hammers, riveting	
Instruments, engineering	
Locomotives, narrow or standard gauge	5
Mixers, with or without power, equipped with loaders or not	1



Motor cycles .....	\$0. 25-\$1. 00
Motors, electric .....	. 25- 8. 00
Pumps, with or without power .....	. 50- 6. 00
Pipe machines, with or without power .....	. 50- 6. 00
Pile drivers, drop, steam-hammer, or jet, with or without power .....	. 50-25. 00
Plows, not car unloaders .....	. 25- 1. 00
Rail, per ton .....	.....
Rollers, horse or power .....	. 50-15. 00
Scrapers, slip or wheel .....	. 25- 1. 00
Saws, power .....	. 25- 5. 00
Steam shovels .....	10. 00-30. 00
Skips, steel or wooden .....	. 10- 1. 00
Trench diggers .....	10. 00-30. 00
Trucks, motor .....	1. 00-25. 00
Wagons .....	. 25- 1. 00

Fuel, lubricants, and labor not included in the above.

## LBP 2.

### SUBCONTRACT.

This contract, made and concluded this 26th day of December, 1918, by and between D. W. McGrath, of Columbus, Ohio (hereinafter called the contractor), and the Erner & Hopkins Co., of Columbus, Ohio (hereinafter called the subcontractor), witnesseth:

Whereas the contractor has heretofore, to wit, on the 5th day of September, 1918, entered into a contract with the United States of America to construct for the Government of the United States, extension and additional construction as ordered, at or near Camp Sherman, Ohio; and

Whereas the parties hereto have agreed that the subcontractor shall, for and in the stead of the contractor, fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder;

Now, therefore, this contract witnesseth, that in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows:

1. The subcontractor shall in the shortest possible time furnish the labor, materials, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the following work: Electrical work in connection with "alterations, additions, and repairs," under general contract of D. W. McGrath, dated September 5, 1918.

2. In the performance of said contract the subcontractor binds itself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 5th day of September, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

3. It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, which the United States of America reserves to itself in the said principal contract; it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal con-

tract and accepts and binds itself faithfully and fully to observe to contractor and the United States of America each and every term and thereof, so as to enable the contractor to fulfill his every obligation to the United States of America according to the intent and provisions of the principal contract.

4. The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any damage to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees; and said subcontractor promptly pay all bills for labor, material, or other service furnished by said subcontractor; and said subcontractor further agrees to keep all equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor to appear and defend same and hold the contractor clear of all loss or expense.

5. Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

6. The subcontractor shall be reimbursed by the contractor in full for the items set out in article 2 of the principal contract heretofore incorporated (except that no part of this contract may be subject to reimbursement of its actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve of the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included: *Provided, however*, that the amount of fee to be paid by the contractor to the subcontractor shall not exceed the amount according to the schedule contained in article 3 of the principal contract hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included, if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$2,900.

7. The contractor may retain out of any moneys at any time due to the contractor a sum sufficient to pay all persons who have performed the work furnished materials for the work included in this contract, and said sum shall be retained until satisfactory evidence is furnished the contractor that the claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands and seals at Sherman, Ohio, the day and date first above written.

D. W. McGRATH.  
By F. J. McGRATH.

Witness:  
C. H. JOHN.

THE ERNER & HOPKINS  
By F. B. McWILLIAM

Witnesses:  
Jno. A. McDONALD,  
C. C. BUNDY.

A true copy.

L. B.

#### CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer, who entered into the contract of September 5, 1918, with D. W. McGrath to construct extension and additional construction as ordered at or by the contracting officer at Sherman, Ohio, does on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing subcontract.

said The Erner & Hopkins Co. and D. W. McGrath for the performance of the work therein specified.

Witness my signature at Camp Sherman, Ohio, this 31st day of December, 1918.

W. A. SWALLOW,  
Major, Quartermaster Corps.

Witness:

CHARLES H. McDONALD,  
Major, Judge Advocate.

NOTE.—This form of subcontract should be executed in quintuplicate and, when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

### LBP 3.

#### SUBCONTRACT.

This contract, made and concluded this 26th day of December, 1918, by and between D. W. McGrath, of Columbus, Ohio (hereinafter called the contractor), and The Samuel A. Esswein Heating & Plumbing Co., of Columbus, Ohio (hereinafter called the subcontractor), witnesseth:

Whereas, the contractor has heretofore, to wit, on the 5th day of September, 1918, entered into a contract with the United States of America to construct for the Government of the United States extension and additional construction as ordered at or near Camp Sherman, Ohio; and

Whereas, the parties hereto have agreed that the subcontractor shall for and in the stead of the contractor fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas, the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder;

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows:

The subcontractor shall in the shortest possible time furnish the labor, material, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the following work:

Plumbing and heating in connection with extension and additional construction as ordered at Camp Sherman, Ohio, under general contract of D. W. McGrath, dated September 5, 1918.

In the performance of said contract the subcontractor binds itself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 5th day of September, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy is hereto attached.

It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, which the United States of America reserves to itself in the said principal contract; it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the

subcontractor assumes all the obligations placed upon the contractor by the principal contract and accepts and binds itself faithfully and fully toward the contractor and the United States of America each and every day and provision thereof, so as to enable the contractor to fulfill his obligation to the United States of America according to the intentions and provisions of said principal contract.

The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any injury to third persons or property occasioned by any act, negligence, or otherwise, of said subcontractor, its associates, servants, agents or employees, and to promptly pay all bills for labor, material or other services rendered to the subcontractor; and said subcontractor further agrees to keep the contractor free of all liens, claims, equipment, materials, tools, and supplies free of all liens and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor will appear and defend same and hold the contractor clear of all costs or expense.

Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

The subcontractor shall be reimbursed by the contractor in full for and for the items set out in Article 2 of the principal contract hereby incorporated (except that no part of this contract may be sublet) for the amount of its actual expenditures in the performance of the work described in Article 1 hereof as may be approved or ratified by the contracting officer, and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer shall approve and allow the contractor, according to the schedule of fees in the principal contract for a fee upon the work hereby included. However, if the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in Article 1 of the principal contract, hereto attached, and shall not exceed the fee which would be allowed a contractor for the work hereby included if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time for terminating the amount to be paid to the subcontractor if and when the amount shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$6,650.

The contractor may retain out of any moneys at any time due to the contractor a sum sufficient to pay all persons who have performed or furnished materials for the work included in this contract, and said sum shall be retained until satisfactory evidence is furnished the contractor that all claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands and seals at Sherman, Ohio, the day and date first above written.

D. W. M.  
By F. J. M.

Witness:  
C. H. JOHN.

THE SAMUEL A. ESSWEIN HEATING & PLUMBING CO.  
By H. N. HEYWOOD, *President*.

Witnesses:  
J. A. McDONALD,  
C. C. BUNDY.

A true copy.

L. B. PEEK  
*Captain, Quartermaster*

CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of September 5, 1918, with D. W. M. to construct extension and additional construction as ordered at or near Sherman, Ohio, does on behalf of said contracting officer and the

States of America hereby assent to and approve the foregoing subcontract between said The Samuel A. Esswein Heating & Plumbing Co., and D. W. McGrath, for the performance of the work therein specified.

Witness my signature at Camp Sherman, Ohio this 31st day of December, 1918.

W. A. SWALLOW,  
Major, Quartermaster Corps.

Witness:

CHARLES H. McDONALD,  
Major, Judge Advocate.

NOTE.—This form of subcontract should be executed in quintuplicate and, when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

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#### LBP 4.

#### CONTRACT FOR EMERGENCY WORK—CONSTRUCTION OF ALTERATIONS, ADDITIONS AND REPAIRS AT CAMP SHERMAN.

Contract made and concluded this 1st day of November, 1917, by and between D. W. McGrath, E. H. McGrath, F. J. McGrath, and H. A. McGrath, copartners composing the firm of D. W. McGrath, of 801 First National Bank Building, Columbus, Ohio, party of the first part (hereinafter called contractor) and the United States of America, by Brig. Gen. I. W. Littell, Quartermaster Corps, N. A. (hereinafter called contractor officer) acting by authority of the Secretary of War, party of the second part.

Whereas, the congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas, it is advisable, under the disturbed conditions which exist in the contracting industry throughout the country, for the United States to depart from the usual procedure in the matter of letting contracts, and adopt means that will insure the most expeditious results; and

Whereas, the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided;

Now, therefore, this contract witnesseth, That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

ARTICLE 1. *Extent of the work.*—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work:

Alterations, additions, and repairs at Camp Sherman, Chillicothe, Ohio, such as may be ordered from time to time in writing within six months from the date hereof, in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection



and acceptance in writing by the contracting officer, all machinery, hand tools, supplies, and materials, for which the contractor shall be to be reimbursed under paragraph (a) of article 2 hereof, shall be property of the United States. These provisions as to title shall not to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. Cost of the work.**—The contractor shall be reimbursed in the hereinafter described for such of its actual net expenditures in the course of said work as may be approved or ratified by the contracting officer as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the contractor, supplies and equipment, necessary for either temporary or permanent the benefit of said work; but this shall not be construed to cover machinery and equipment mentioned in section (c) of this article. The contractor shall have no departure from the standard rate of wages being paid in the local market where the said work is being done, without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this contract.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, cranes, mixers, boilers, clamshell or other buckets, electric motors, electric drill presses, hammers, electric hoists, steam shovels, locomotive cranes, power saws, surveyors' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof which he may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair value of each part at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation. In which event the valuation so made by the contracting officer shall be final. When and if the total rental paid to the contractor for any part of such construction plant shall equal the valuation thereof, no further rental therefor shall be payable by the contractor, and title thereto shall vest in the United States. At the completion of the work, the contracting officer may at his option purchase any part of such construction plant then owned by the contractor from the United States by paying to the contractor the difference between the valuation of such part or parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, and shall be to be in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall be allowed any rental therefor and shall receive no fee for the use of such equipment.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work, subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during the life of the plant in the said work.

(e) Transportation and expenses to and from the work of the field forces for the economical and successful prosecution of the work, including labor and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, foremen, and other employees at the field offices of the contractor in connection with the work. In case the full time of any field employee of the contractor is applied to said work but is divided between said work and other duties, his salary shall be included in this item only in proportion to the actual time applied to this work.

(g) Buildings and equipment required for necessary field offices, including salary, and hospital and the cost of maintaining and operating same.

commissary, and hospital, including such minor expenses as telegrams, telephone service, expressage, postage, etc.

(h) Such bonds, fire, liability and other insurance as the contracting officer may approve or require; and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with the written consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contractor's fee. The cost of reconstructing and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of reimbursement to the contractor, but not for the purpose of determining the contractor's fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract, and necessarily incurred. Expenditures under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling, and hotel expenses of officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed by the contracting officer, it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers any or all freight charges on material of all kinds, and machinery, furnished under this contract, and certified by the contracting officer as being for installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall pay and as shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools and supplies of every character, shall be treated as part of the cost of the work upon which the contractor's fee shall be based; provided that charges for transportation of such construction equipment, construction plant and tools over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expense incurred in conducting the contractor's main office, or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed a fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

If the cost of the work is under \$100,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$10,000.

If the cost of the work is over \$125,000 and under \$250,000, a fee of 8 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of \$20,000.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 7½ per cent of such cost.

If the cost of the work is over \$500,000 and under \$535,714.29, a fee of \$37,500.

If the cost of the work is over \$535,714.29 and under \$3,000,000 a fee of 7 per cent of such cost.

If the cost of the work is over \$3,000,000 and under \$3,500,000, a fee of \$210,000.

If the cost of the work is over \$3,500,000, a fee of 6 per cent of such cost.



*Provided, however,* That the fee upon such part of the cost of as is represented by payments to subcontractors, under subdivision shall in each of the above contingencies be 5 per cent and no more amount of such part of the cost.

The cost of materials purchased or furnished by the contracting said work, exclusive of all freight charges thereon, shall be included cost of the work for the purpose of reckoning such fee to the contractor for no other purpose.

The fee for reconstructing and replacing any of the work destroyed shall be such percentage of the cost thereof—not exceeding 7 per cent as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed of \$250,000, anything in this agreement to the contrary notwithstanding.

**ART. 4. Payments.**—On or about the seventh day of each month the contracting officer and the contractor shall prepare a statement showing completely as possible: (1) The cost of the work up to and including the end of the previous month; (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount not exceeding 3½ per cent, except as herein otherwise provided, of the sum of (1) on account of the contractor's fee; and the contractor at such time shall deliver to the contracting officer original signed payrolls for labor, original receipts for materials purchased, and all other original papers not theretofore delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into the statement upon which the contractor and the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor on or before the ninth day of each month the cost of the work mentioned in (1) plus the fee mentioned in (3) of such statement, less all previous payments. The statement above mentioned includes any work of reconstructing and replacing work destroyed or damaged, the payment on account of the fee in such reconstruction and replacement work shall be computed at such rate as not exceeding 3½ per cent, as the contracting officer may determine. The statement so made and all payments made thereon shall be final and binding upon both parties hereto, except as provided in article 14 hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates above mentioned or for other lawful purposes. Upon the completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee as determined by the contracting officer under articles 2 and 3 hereof.

**ART. 5. Inspection and audit.**—The contracting officer shall at all times have afforded proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, memoranda of every description of the contractor pertaining to said work, and the contractor shall preserve for a period of two years after its completion or cessation of work under this contract, all the books, records, and papers just mentioned. Any duly authorized representative of the contracting officer shall be accorded the privilege of examining the books, records, and papers of the contractor relating to said work for the purpose of checking up and verifying the cost of said work. The system of accounting employed by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor, or other bills legitimately incurred by the contractor hereunder have not been promptly paid by the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such bills as past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer, then the contracting officer shall have the right to pay such bills on behalf of the contractor, in which event such direct payments shall not be included in the cost of the work.

**ART. 6. Special requirements.**—The contractor hereby agrees that it shall (a) Begin the work herein specified at the earliest time practicable and diligently proceed so that such work may be completed at the earliest possible date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure and thereafter maintain such insurance in such forms and in such amounts and for such periods of time as the contracting officer may approve or require.

(d) Procure all necessary permits and licenses, and obey and abide by all laws, regulations, ordinances, and other rules applying to such work, of the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, insert in every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States; will make all such contracts in its own name, and will not bind or purport to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions hereof, require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to protect and subserve the interest of the contracting officer and the United States.

**ART. 7. Right to terminate contract.**—Should the contractor at any time refuse, neglect, or fall in any respect to prosecute the work with promptness and diligence, or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five-days' written notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and rights, and may complete, or employ any other person or persons to complete said work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in article 4 hereof; and the contracting officer shall also pay to the contractor compensation, either by purpose or rental, at the election of the contracting officer, for any equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 8. Abandonment of work by contracting officer.**—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may

require for the purpose of fully vesting in him the rights and benefits of a contractor under such obligations or commitments. The contractor shall pay to the contracting officer such an amount of money on account of the balance of the cost of the work and of the fee, as will result in the contractor receiving full reimbursement for the cost of the work up to the time of abandonment, plus a fee to be computed in the following manner: The fee of the work up to the time of such abandonment shall be added to the cost of the contractual obligations or commitments assumed by the contractor, and such total shall be treated as the cost of the work upon which the fee shall be computed in accordance with the provisions of this article. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the contractor shall thereafter be entirely released and discharged of and from all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 9. Bond.**—The contractor shall prior to commencing the said work furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$10,000, conditioned upon its full and faithful performance of all the conditions and provisions of this contract, and upon its prompt payment of bills for labor, material, or other service furnished to the contractor.

**ART. 10. Convict labor.**—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment or labor imposed by the courts of any of the several States, Territories, or Possessions having criminal jurisdiction.

**ART. 11. Hours and conditions of labor.**—No laborer or mechanic engaged in part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work not so contemplated, shall be required or permitted to work more than eight hours upon one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$100 shall be imposed upon the contractor for each laborer or mechanic for every day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be for the use and benefit of the United States: *Provided*, That this paragraph shall not be enforced nor shall any penalty be exacted in case such violation occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions of said act in whole or in part, or when the contractor or subcontractor complies with the provisions thereof with respect to either this contract or any class of contracts to which this article shall apply, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any accident caused by fire, famine, or flood, by danger to life or property, or to any other extraordinary events or conditions on account of which, by subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, investigate the contractor or subcontractor involved in such dispute as to the merits of the dispute, and the contractor or subcontractor shall thereupon comply with the instructions of the contracting officer.

**ART. 12. Right to transfer or sublet.**—Neither this contract, nor any part thereof, shall be assigned or transferred. The contractor shall not subcontract for any part of the work herein specified without the written consent and approval in writing of the contracting officer. In case of such transfer, or subletting without the consent and approval, in writing of the contracting officer, the contracting officer may refuse to carry out the contract either with the transferror or transferee, but all rights of action for breach of this contract by the contractor are reserved to the United States.

**ART. 13. No participation in profits by Government officials.**—No officer or Delegate to Congress, or Resident Commissioner, nor any other person, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract.

may be within the operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

**ART. 14. Settlement of disputes.**—This contract shall be interpreted as a whole and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, it shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

**ART. 15.** This contract shall bind and insure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successor in office, any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

D. W. McGRATH.  
E. H. McGRATH.  
F. J. McGRATH.  
H. A. McGRATH.  
By D. W. McGRATH.

Witnesses:

JNO. A. McDONALD.  
GEO. T. FEELEY.

UNITED STATES OF AMERICA.

By I. W. LITTELL.

Brigadier General, Q. M. Corps, N. A., Contracting Officer.

Witnesses:

H. E. JOHNSTON.  
M. J. SWAYZEE.

*Schedule of rental rates per day.*

Automobiles.....	\$5.00
Adding and listing machines.....	.20
Buckets, tippie and bottom dump.....	.25
Boring machine, pneumatic.....	.50
Boring machine, electric.....	.50
Buckets, orangepeel, 1 yard.....	3.50
Buckets, orangepeel, less than 1 yard.....	2.00
Bucket, clamshell.....	2.00
Boiler and 3-drum engine.....	3.50
Boiler and 2-drum engine.....	3.00
Boiler and 1-drum engine.....	2.50
Boiler only, 30 horsepower and smaller.....	1.50
Boiler only, larger than 30 horsepower.....	2.00
Block machine, concrete.....	1.50
Cars, skip, 1½ yards.....	.25
Cars, skip, 3 yards.....	.50
Cars, steel, 1-yard and smaller.....	.15
Cars, 4-yard wooden.....	.25
Cars, 6-yard wooden.....	.75
Cars, 12-yard wooden.....	2.00
Cars, 1-hopper, radial gate.....	.25
Crushers only.....	2.00
Crushers, with elevator and screen.....	3.00
Conveyor, gravity, per 100 feet.....	1.00
Compressor, 10 by 10, with steam engine.....	2.50
Compressor, 8 by 8, belt-driven.....	1.00
Compressor, with gasoline engine on wheels.....	5.00
Compressor, Westinghouse, 9½-inch.....	1.00
Cableways, without engine.....	4.00



Drill, auto traction.....
Dump wagons.....
Diving outfit with pumps.....
Derricks, 60 feet to 85 feet.....
Derricks, 30 feet to 59 feet.....
Derricks, less than 30 feet.....
Derricks, breast.....
Derricks, circle-swing.....
Elevators, platform or bucket.....
Elevators, with bins for concrete.....
Engines, skeleton, 3-drum.....
Engines, skeleton, 2-drum.....
Engines, skeleton, 1-drum.....
Engines, steam, horizontal, 11 to 40 horsepower.....
Engines, steam, upright, to 10 horsepower.....
Engines, gasoline, to 8 horsepower.....
Engines, 2 drum, with electric motor.....
Engines, gasoline, 10 horsepower.....
Engines, derrick, swinging.....
Hammers, riveting.....
Hod elevator machine.....
Leveling instruments, engineers'.....
Locomotive, 36-inch gauge.....
Locomotive, standard gauge.....
Mixers, with boiler sideloader.....
Mixers, with electric motors, 1-yard.....
Mixers, without boiler, less than 1 yard.....
Mixers, without boiler, 1 yard and larger.....
Mixers, with gasoline engine.....
Motorcycles.....
Motors, 2 horsepower.....
Motors, 5 horsepower.....
Motors, 10 horsepower.....
Motors, 25 horsepower.....
Motors, 50 horsepower.....
Pumps, centrifugal, 10-inch, belt-driven.....
Pumps, centrifugal, 10-inch, with motor attached.....
Pumps, centrifugal, 8-inch, steam connected.....
Pumps, centrifugal, 6-inch, steam connected.....
Pumps, centrifugal, 4-inch, steam connected.....
Pumps, duplex and triplex, to 3 inch.....
Pumps, pulsometer, to 4 inch.....
Pumps, diaphragm.....
Pumps, Diaphragm, with gas engine.....
Pumps, triplex, with belt drive.....
Pile drivers, drop.....
Pile drivers, drop, with single drum engine and boiler.....
Pile hammers, steam, up to 2,500 pounds.....
Pile hammers, steam, larger than 2,500 pounds.....
Rail, per ton.....
Roller, horse.....
Steam drills.....
Small air drills.....
Steam roller.....
Steam shovel.....
Sprinkling cart.....
Saw benches.....
Saw benches, with motor or gasoline engine.....
Scale boxes.....
Scraper, wheel.....
Transits.....
Typewriter.....

Fuel and lubricants not included in these prices.

A true copy. .

L. B. PERKINS,

*Captain, Quartermaster Corps.*

## LBP 5.

## MEMORANDUM.

The attached supplemental agreement between D. W. McGrath & Sons, Columbus, Ohio, and United States of America, dated February 20, 1918, was made to carry out the understanding reached between the parties before the execution of the original contract, dated November 1, 1917, for alterations, additions, and repairs at Camp Sherman, Chillicothe, Ohio.

Before said contract was executed the contractor was informed that the cost of the work contemplated thereunder would not exceed \$200,000, and that the maximum fee was fixed at \$15,000 on that basis, and that in the event the Government should decide to do additional construction work at that camp, which would run out of proportion to the estimated \$200,000, the Government would be free, either to select a new contractor for such additional work, or to require such additional work to be done under the contract of November 1, 1917, in which event a supplemental agreement would be drawn increasing the maximum fee so as to make the same commensurate with the additional work ordered by the Government to be done thereunder.

EVAN SHELBY,

*Colonel, Quartermaster Corps, National Army,  
In charge of the Contract Branch, Construction Division.*

Dated Washington, April 10, 1918.

This is a true copy.

L. B. PERKINS,

*Captain, Quartermaster Corps.*

## LBP 6.

Supplemental agreement for modification of contract between Lieut. Col. R. C. Marshall, Jr., Quartermaster Corps, National Army, and D. W. McGrath, E. H. McGrath, F. J. McGrath, and H. A. McGrath, copartners composing the firm of D. W. McGrath, 801 First National Bank Building, Columbus, Ohio. Modifying contract dated November 1, 1917, for construction and completion of alterations, additions, and repairs at Camp Sherman, Chillicothe, Ohio. Supplemental contract dated February 20, 1918.

Whereas on the 1st day of November, 1917, a contract was entered into between the United States, represented by Brig. Gen. I. W. Littell, Quartermaster Corps, National Army, and D. W. McGrath, F. H. McGrath, F. J. McGrath, and H. A. McGrath, copartners composing the firm of D. W. McGrath, 801 First National Bank Building, Columbus, Ohio (hereinafter designated as contractor), for construction and completion of alterations, additions, and repairs, such as may be ordered from time to time in writing within six months from November 1, 1917, at Camp Sherman, Chillicothe, Ohio.

And whereas, it is found advantageous and in the best interests of the service of the United States to modify the provisions of said contract, as specified below:

Now, therefore, it is hereby agreed that the provisions of said contract shall be changed in the following particulars, and in these respects only:

ARTICLE 1. On page 1 of said contract of November 1, 1917, shall be and is hereby amended by striking out the words "six months" in the seventh and eighth lines thereof and substituting in their place the words "eight months."

The last paragraph of article 3 on page 5 of said contract of November 1, 1917, shall be changed to read as follows:

"The total fee to the contractor hereunder shall in no event exceed the sum of \$60,000, anything in this agreement to the contrary notwithstanding."

NOTE.—At the time the said contract of November 1, 1917, was made it was contemplated that the cost of the alterations, additions, and repairs would not exceed \$200,000, and a fee of not to exceed \$15,000 was provided. Additional hospital facilities and other work, not contemplated at the time the original contract was made, have now been authorized and the cost of the work will greatly exceed \$200,000. Therefore, the maximum fee has been changed, as above provided, to the sum of \$60,000.

Deletion of part of lines 13 and 14 of the agreement made before was signed.

This is a true copy.

L. B.

Witness our hands this 20th day of February, 1918.

R. C. MARSHALL,  
Lieutenant Colonel, Quartermaster Corps, Nation  
D. W. McGRATH.  
By D. W. McGRATH,  
Member of t

Witnesses:

M. J. SWAYZEE.  
H. L. FRANCISCO.  
JNO. A. McDONALD.  
GEO. FEELEY.

The undersigned sureties to the bond pertaining to the above-described contract assent to the foregoing modification thereof and hereby said bond shall be construed to apply accordingly.

Witness our hands and seals this 20th day of February, 1918.

UNITED STATES FIDELITY & GUARANTY CO.  
HAZZARD B. TALMADGE,  
Attorney in Fact.

Witnesses:

JNO. A. McDONALD.  
GEO. FEELEY.

LBP 7.

#### SUBCONTRACT.

This contract, made and concluded this 25th day of March, 1917, between D. W. McGrath, of Columbus, Ohio (hereinafter called the contractor) and The Erner & Hopkins Co. of Columbus, Ohio (hereinafter called the subcontractor), witnesseth:

Whereas, the contractor has heretofore, to wit, on the 1st day of November, 1917, entered into a contract with the United States of America to perform for the Government of the United States alterations, additions, and repairs to the building at or near Camp Sherman, Ohio; and

Whereas, the parties hereto have agreed that the subcontractor shall, and in the stead of the contractor fulfill and perform such part of said contract as is hereinafter set forth; and

Whereas, the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and obligations of the contractor and the Government thereunder;

Now, therefore, this contract witnesseth: That in consideration of the sum of money to be paid by the United States of America to the contractor and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows:

1. The subcontractor shall in the shortest possible time furnish and deliver to the contractor all materials, tools, machinery, equipment, facilities, and supplies and things necessary for the construction and completion of the following work:

Electrical work in connection with "alterations, additions, and repairs" to the building under general contract of D. W. McGrath, dated November 1, 1917, and a principal contract of February 20, 1918.

2. In the performance of said contract the subcontractor binds himself and the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as are not applicable to such subcontractor's work, as are set forth in the principal contract made and entered into on the 1st day of November, 1917, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is attached.

3. It is expressly stipulated and agreed that the contractor has agreed to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language as are which the United States of America reserves to itself in the said



contract; it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe towards the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill his every obligation to the United States of America according to the intent and provisions of said principal contract.

4. The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents or employees, and to promptly pay all bills for labor, material or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor will appear and defend same and hold the contractor clear of all loss, costs or expense.

5. Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

6. The subcontractor shall be reimbursed by the contractor in the manner and for the items set out in article 2 of the principal contract hereinabove incorporated (except that no part of this contract may be sublet), for such of its actual expenditures in the performance of the work designated in article 1, hereof, as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included; provided, however, that the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included, if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor but the total fee to the subcontractor hereunder shall not exceed \$10,000.

7. The contractor may retain out of any moneys at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Sherman, Ohio, the day and date first above written.

THE ERNER & HOPKINS Co.

By F. B. McWILLIAMS, *Superintendent.*

Witnesses:

W. C. FLOYD,  
E. E. HEALD.

D. W. McGRATH,

By F. J. McGRATH, *General Superintendent.*

Witnesses:

IRENE LUNGO,  
LULA DWYER.

CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of November 1, 1917, with D. W. McGrath

to construct alterations, additions, and repairs, at or near Camp Sherman, Ohio, on behalf of said contracting officer and the United States hereby assent to and approve the foregoing subcontract between said Hopkins Co. and D. W. McGrath, for the performance of the work specified.

Witness my signature at Camp Sherman, Ohio, this 5th day of March, 1918.

W. W. SWAN

Major, Quartermaster Corps, National Guard

Witness:

E. B. GRACIA,

Captain, Quartermaster Corps, Reserve Corps.

NOTE: This form of subcontract should be executed in quintuplicate when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the contracting quartermaster on the work, and one to the Contract Branch of the Contracting Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

This is a true copy.

L. B. PERKINS

Captain, Quartermaster Corps, National Guard

LBP 8.

#### SUBCONTRACT.

This contract, made and concluded this 25th day of March, 1918, between D. W. McGrath, of Columbus, Ohio (hereinafter called the contractor), and The Saml. A. Esswein Co., of Columbus, Ohio (hereinafter called the subcontractor), witnesseth:

Whereas the subcontractor has heretofore, to wit, on the 1st day of November, 1917, entered into a contract with the United States of America to construct for the Government of the United States alterations, additions, and repairs as directed at or near Camp Sherman, Ohio; and

Whereas the parties hereto have agreed that the subcontractor shall, in the stead of the contractor fulfill and perform such part of the principal contract as is hereinafter set forth; and

Whereas the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and obligations of the contractor and the Government thereunder;

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contractor as follows:

1. The subcontractor shall in the shortest possible time furnish the materials, tools, machinery, equipment, facilities, and supplies and do the work necessary for the construction and completion of the following work:

Plumbing and heating in connection with "alterations, additions, and repairs" under general contract of D. W. McGrath, dated November 1st, 1917, and supplemental contract of February 20, 1918.

2. In the performance of said work the subcontractor binds himself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 1st day of November, 1917, between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

3. It is expressly stipulated and agreed that the contractor has assigned to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language as are contained in which the United States of America reserves to itself in the said principal contract; it being the intent and purpose of the parties hereto, by this subcontract, herein expressly provided, to place the contractor in the same position

regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill his every obligation to the United States of America according to the intent and provisions of said principal contract.

4. The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents or employees, and to promptly pay all bills for labor, material, or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, material, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor will appear and defend same and hold the contractor clear of all loss, costs, or expense.

5. Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

6. The subcontractor shall be reimbursed by the contractor in the manner and for the items set out in article 2 of the principal contract hereinabove incorporated (except that no part of this contract may be sublet), for such of its actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included; provided, however, that the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included, if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$10,000.

7. The contractor may retain out of any moneys at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Sherman, Ohio, the day and date first above written,

THE SAMUEL A. ESSWEIN HEATING &  
PLUMBING Co.,

By H. N. HEYWOOD, *President and Treasurer.*

Witnesses:

ALBERT H. DIEHL.  
ELMER J. EY.

D. W. MCGRATH,

By F. J. MCGRATH, *General Superintendent.*

Witnesses:

J. C. CARROLL.  
E. E. HEALD.

CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer, who entered into the contract of November 1, 1917, with D. W. McGrath

to construct alterations, additions, and repairs at or near Camp Sherman does on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing subcontract between said T. A. Esswein Co. and D. W. McGrath for the performance of the work specified.

Witness my signature at Camp Sherman, Ohio, this 5th day of May,

W. A. SWALL

Major, Quartermaster Corps, National

Witness:

E. J. GARCIA,

Captain, Quartermaster Reserve Corps.

NOTE.—This form of subcontract should be executed in quintuplicate when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the contracting quartermaster on the work, and one to the Contract Branch of the Contracting Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract shall be attached.

This is a true copy.

L. B. PERKINS

Captain, Quartermaster

LBP 9.

Supplemental subcontract between D. W. McGrath and The Samuel A. Enswein Heating & Plumbing Co. for plumbing, etc., at Camp Sherman.

Whereas on the 25th day of March, 1918, a subcontract was entered into between D. W. McGrath, of Columbus, Ohio, and The Samuel A. Enswein Heating & Plumbing Co., of Columbus, Ohio, for the following work:

Plumbing and heating in connection with alterations, additions, and repairs under general contract of D. W. McGrath, dated November 1, 1917, and supplemental contract of February 20, 1918; and

Whereas since the making of said subcontract it has been determined by the United States to install a return heating system in connection with the base hospital at Camp Sherman, Ohio; and

Whereas said heating system was not contemplated in the said subcontract of March 25, 1918; and

Whereas it is desired that such return heating system be installed by said subcontractor, The Samuel A. Enswein Heating & Plumbing Co.;

Now, therefore, it is hereby agreed that the provisions of the said subcontract of March 25, 1918, be and the same are hereby changed in the following respects:

Article I of said subcontract is amended by adding after the words "March 20, 1918," the following words: "Including the installation of a return heating system in connection with the base hospital at Camp Sherman, Ohio." Article 6 of said subcontract of March 25, 1918, is hereby amended by striking out the figures "\$10,000" and substituting in the place thereof the figures "\$15,000."

In witness whereof, the parties above named have hereunto set their hands and seals at Camp Sherman, Ohio, the 29th day of May, 1918.

D. W. MCGRATH,

By F. J. MCGRATH.

Witnesses:

C. J. WHEELER,

ELMER J. ELY.

THE SAMUEL A. ENSWEIN HEATING & PLUMBING CO.

By H. W. HEYWOOD, President and Treasurer.

Witnesses:

M. B. SLIKER,

FRED J. TRAUTMAN.

## CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of September 5, 1918, with D. W. McGrath to construct extension and additional construction as ordered at or near Camp Sherman, Ohio, does on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing supplemental subcontract between said The Samuel A. Enswein Heating & Plumbing Co. and D. W. McGrath for the performance of the work therein specified.

Witness my signature at Camp Sherman, Ohio, this 12th day of May, 1918.

W. A. SWALLOW,  
Major, Q. M. C.

A true copy.

L. B. PERKINS,  
Captain, Q. M. C.

Mr. McKENZIE. We also desire to print complete the various contracts for the construction of Camp Grant, both primary and sub-contracts, being 14 in number:

LBP #17.

## CONTRACT FOR EMERGENCY WORK CONSTRUCTION OF CANTONMENT AT ROCKFORD, ILL.

Contract made and concluded this 21st day of June, 1917, by and between Bates & Rogers Construction Co., Chicago, county of Cook, State of Illinois, a corporation organized under the laws of the State of Illinois, represented by W. A. Rogers, its president, party of the first part (hereinafter called contractor), and the United States of America, by Maj. W. A. Dempsey, Q. M. U. S. R. (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists, and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas it is advisable under the disturbed conditions which exist in the contracting industry throughout the country for the United States to depart from the usual procedure in the matter of letting contracts, and adopt means that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided:

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

ARTICLE 1. *Extent of the work.*—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work:

At Rockford, Ill.: Buildings and other utilities except roads, stoves, bunks, mattresses, ranges and refrigerators for one division of infantry, including the following units, viz: One heavy artillery regiment, horse drawn, in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications; issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection



and acceptance in writing by the contracting officer all machinery, and hand tools, supplies, and materials, for which the contractor shall be to be reimbursed under paragraph (a) of article 2 hereof, shall be property of the United States. These provisions as to title shall not relieve the contractor from any duties imposed hereby or by the contracting officer.

ART. 2. *Cost of the work.*—The contractor shall be reimbursed in the hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer as are included in the following items:

(a) All labor, materials, machinery, hand tools not owned by the contractor, supplies and equipment, necessary for either temporary or permanent work, to the benefit of said work; but this shall not be construed to cover machinery and equipment mentioned in section (c) of this article. The contractor shall not depart from the standard rate of wages being paid in the locality where the said work is being done, without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this article.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction of sound and workable condition, such as pumps, derricks, concrete mixers, clamshell, or other buckets, electric motors, electric drills, electric hoists, steam shovels, locomotive cranes, power saws, engines, and transits, and such other equipment as may be necessary for the economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair value at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be final. When and if the total rental paid to the contractor for any such equipment shall equal the valuation thereof, no further rental therefor shall be paid to the contractor and title thereto shall vest in the United States. At the completion of the work the constructing officer may at his option purchase for the United States any part of such construction plant then owned by the contractor, paying to the contractor the difference between the valuation of such parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be set out in writing between the contractor and the contracting officer, subject to be in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall be allowed any rental therefor and shall receive no fee for the use of such equipment.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements done or used in the said work.

(e) Transportation and expenses to and from the work of the field forces for the economical and successful prosecution of the work, including labor and expediting the production and transportation of materials and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is applied to said work but is divided between said work and other work, his salary shall be included in this item only in proportion to the actual time applied to this work.

(g) Buildings and equipment required for necessary field offices, command and hospital and the cost of maintaining and operating said offices, command and hospital, including such minor expenses as telegrams, telephone calls, expressage, postage, etc.

(h) Such bonds, fire liability, and other insurance as the contracting officer may approve or require, and such losses and expenses not compensated by insurance or otherwise as are found and certified by the contracting officer to have been actually sustained (including settlements made with the written consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contractor's fee. The cost of reconstructing and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of reimbursement to the contractor, but not for the purpose of determining the contractor's fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract and necessarily incurred. Expenditures under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling, and hotel expenses of officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed by the contracting officer it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers any or all freight charges on material of all kinds, and machinery furnished under this contract and certified by the contracting officer as being for installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall pay, and as shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based, provided that charges for transportation of such construction equipment, construction plant, and tools over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expense incurred in conducting the contractor's main office, or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work, nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed as fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

If the cost of the work is under \$100,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$10,000.

If the cost of the work is over \$125,000 and under \$250,000, a fee of 8 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of \$20,000.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 7½ per cent of such cost.

If the cost of the work is over \$500,000 and under \$535,714.29, a fee of \$37,500.

If the cost of the work is over \$535,714.29 and under \$3,000,000, a fee of 7 per cent of such cost.

If the cost of the work is over \$3,000,000 and under \$3,500,000, a fee of \$210,000.

If the cost of the work is over \$3,500,000, a fee of 6 per cent of such cost.



*Provided, however,* That the fee upon such part of the cost of the work is represented by payments to subcontractors, under subdivision shall in each of the above contingencies be 5 per cent and no amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof—not exceeding 7 per cent—as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$250,000, anything in this agreement to the contrary notwithstanding.

**ART. 4. Payments.**—On or about the 7th day of each month the contracting officer and the contractor shall prepare a statement showing as far as possible (1) the cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount equal to 3½ per cent, except as herein otherwise provided, of the sum of (1) on account of the contractor's fee; and the contractor at such time shall deliver to the contracting officer original signed pay rolls for labor, invoices for materials purchased and all other original papers and records previously delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into the statement upon which the contractor and the contracting officer cannot agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor on or about the 9th day of each month the cost of the work mentioned in (1) of such statement, less all previous payments made on account of the fee mentioned in (3) of such statement, less all previous payments made on account of the cost of reconstructing and replacing work destroyed or damaged the payment on account of the cost of reconstructing and replacement work shall be computed at such rate, not exceeding 3½ per cent, as the contracting officer may determine. The statement so made and all payments made thereon shall be binding upon both parties hereto, except as provided in article 5 hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of cash discounts between the dates above mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee mentioned under articles 2 and 3 hereof.

**ART. 5. Inspection and audit.**—The contracting officer shall at all times afford proper facilities for inspection of the work and shall have access to the premises, to the work and material, and to all books, correspondence, instructions, plans, drawings, receipts, vouchers, memoranda of every description of the contractor pertaining to the work and the contractor shall preserve for a period of two years after the completion or cessation of work under this contract, all the books, records, papers just mentioned. Any duly authorized representative of the contracting officer shall be accorded the privilege of examining the books, records, and papers of the contractor relating to said work for the purpose of ascertaining and verifying the cost of said work. The system of accounting to be used by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor or other bills legitimately incurred by the contractor hereunder have not been promptly paid by the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such bills past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer, then the contracting officer shall have the right to pay such bills on behalf of the contractor, and in such event such direct payment shall not be included in the cost of the work.

**ART. 6. Special requirements.**—The contractor hereby agrees that (a) Begin the work herein specified at the earliest time practicable and diligently proceed so that such work may be completed at the earliest date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure, and thereafter maintain such insurance, in such forms and in such amounts, and for such periods of time as the contracting officer may approve or require.

(d) Procure all necessary permits and licenses, and obey and abide by all laws, regulations, ordinances, and other rules applying to such work, of the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, insert in every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States; will make all such contracts in its own name, and will not bind or purport to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions hereof require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative, who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to protect and subserve the interest of the contracting officer and the United States.

ART. 7. *Right to terminate contract.*—Should the contractor at any time refuse, neglect, or fall in any respect to prosecute the work with promptness and diligence, or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days' written notice to the contractor, terminate this contract and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and rights, and may complete or employ any other person or persons to complete said work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in article 4 hereof; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental, at the election of the contracting officer, for any equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2; and in the event of purchase, to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States, or either of them, for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract, the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

ART. 8. *Abandonment of work by contracting officer.*—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have therefore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the

contractor under such obligations or commitments. The contracting pay to the contractor such an amount of money on account of the advance of the cost of the work and of the fee, as will result in the receiving full reimbursement for the cost of the work up to the time of abandonment, plus a fee to be computed in the following manner: of the work up to the time of such abandonment shall be added to the contractual obligations or commitments assumed by the contractor, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of Article 8. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the contractor shall thereafter be entirely released and discharged of and from all demands, actions, or claims of any kind on the part of the contractor under or on account hereof.

**ART. 9. Bond.**—The contractor shall prior to commencing the work furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$250,000, conditioned upon its full and faithful performance of all the conditions, and provisions of this contract, and upon its prompt payment for labor, material, or other service furnished to the contractor.

**ART. 10. Convict labor.**—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment or labor imposed by the courts of any of the several States, Territories, or Possessions having criminal jurisdiction.

**ART. 11. Hours and conditions of labor.**—No laborer or mechanic engaged in any part of the work contemplated by this contract, in the employment of the contractor, or any subcontractor contracting for any part of said work, shall be required or permitted to work more than eight hours in any calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States Government is a party. For each violation of the requirements of this article a penalty shall be imposed upon the contractor for each laborer or mechanic for every day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be for the use and benefit of the United States: *Provided*, That this penalty shall not be enforced nor shall any penalty be exacted in case such violation occurs while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions thereof with respect to either this contract or any class of contracts to which this contract shall be included, or when the violation shall be due to extraordinary events or conditions of manufacture, or to any emergency, such as fire, famine, or flood, by danger to life or property, or by other events or conditions on account of which, by subsequent Executive order, past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, refer the dispute to the contractor or subcontractor involved in such dispute as to the method of settling the same, which the contractor or subcontractor should follow with reference to the contractor or subcontractor shall thereupon comply with such decision.

**ART. 12. Right to transfer or sublet.**—Neither this contract, nor any subcontract thereunder, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the written approval and approval in writing of the contracting officer. In case of such transfer, or subletting without the consent and approval, in writing of the contracting officer, the contracting officer may refuse to carry out the contract, either with the transferor or transferee, but all rights of action for breach of this contract by the contractor are reserved to the United States.

**ART. 13. No participation in profits by Government officials.**—No officer or Delegate to Congress or Resident Commissioner or any other person holding office or position in the military service of the United States shall be admitted to any share or part of this contract or to any benefit therefrom, but this article shall not apply to this contract so far as

within the operation or exception of section 116 of the act of Congress approved March 4, 1900. (35 Stats., 1109.)

ART. 14. *Settlement of disputes.*—This contract shall be interpreted as a whole and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, he shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

ART. 15. This contract shall bind and inure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein the same shall be construed to include his successor in office, any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

BATES & ROGERS CONSTRUCTION CO., [SEAL]  
By W. A. ROGERS, *President*.

Attest:

C. N. BURGHART, *Secretary*.  
UNITED STATES OF AMERICA,  
By W. A. DEMPSEY *Contracting Officer*.

Witness:

S. H. WOLFE.

I certify that this is a true copy.

R. H. CASE,  
*Major, Quartermaster Corps.*

*Schedule of rental rates per day.*

Automobiles.....	\$5. 00
Adding and listing machines.....	.20
Bucket, tippie and bottom dump.....	.25
Boring machine, pneumatic.....	.50
Boring machine, electric.....	.50
Buckets, orange-peel, 1 yard.....	3. 50
Buckets, orange-peel, less than 1 yard.....	2. 00
Buckets, clamshell.....	2. 00
Boiler and 3-drum engine.....	3. 50
Boiler and 2-drum engine.....	3. 00
Boiler and 1-drum engine.....	2. 50
Boiler only, 30 horsepower and smaller.....	1. 50
Boiler only, larger than 30 horsepower.....	2. 00
Block machine, concrete.....	1. 50
Cars, skip, 1½ yards.....	.25
Cars, skip, 3 yards.....	.50
Cars, steel, 1 yard and smaller.....	.15
Cars, 4-yard, wooden.....	.25
Cars, 6-yard, wooden.....	.75
Cars, 12-yard, wooden.....	2. 00
Cars, 1 hopper, radial gate.....	.25
Crushers only.....	2. 00
Crushers, with elevator and screen.....	3. 00
Conveyor, gravity, per 100 feet.....	1. 00
Compressor, 10 by 10, with steam engine.....	2. 50
Compressor, 8 by 8, belt driven.....	1. 00
Compressor, with gasoline engine on wheels.....	5. 00
Compressor, Westinghouse, 9½ inches.....	1. 00
Cableways, without engine.....	4. 00



Drill, auto traction  
 Dump wagons  
 Diving outfit, with pumps  
 Derricks, 60 feet to 85 feet  
 Derricks, 30 feet to 59 feet  
 Derricks, less than 30 feet  
 Derricks, breast  
 Derricks, circle swing  
 Elevators, platform or bucket  
 Elevators, with bins for concrete  
 Engines, skeleton, 3-drum  
 Engines, skeleton, 2-drum  
 Engines, skeleton, 1-drum  
 Engines, steam, horizontal, 11 to 40 horsepower  
 Engines, steam, upright, to 10 horsepower  
 Engines, gasoline, to 8 horsepower  
 Engines, 2 drum, with electric motor  
 Engines, gasoline, 10-horsepower  
 Engines, derrick, swinging  
 Hammers, riveting  
 Hoist-elevating machine  
 Leveling instruments, engineers'  
 Locomotive, 36-inch gauge  
 Locomotive, standard gauge  
 Mixers, with boiler sideloader  
 Mixers, with electric motors, 1 yard  
 Mixers, without boiler, less than 1 yard  
 Mixers, without boiler, 1 yard and larger  
 Mixers, with gasoline engine  
 Motor cycles  
 Motors, 2-horsepower  
 Motors, 5-horsepower  
 Motors, 10-horsepower  
 Motors, 25-horsepower  
 Motors, 50-horsepower  
 Pumps, centrifugal, 10-inch, belt-driven  
 Pumps, centrifugal, 10-inch, with motor attached  
 Pumps, centrifugal, 8-inch, steam connected  
 Pumps, centrifugal, 6-inch, steam connected  
 Pumps, centrifugal, 4-inch, steam connected  
 Pumps, duplex and triplex to 3-inch  
 Pumps, pulsometer to 4-inch  
 Pumps, diaphragm  
 Pumps, diaphragm with gas engine  
 Pumps, triplex, with belt drive  
 Pile drivers, drop  
 Pile drivers, drop, with single drum engine and boiler  
 Pile hammers, steam, up to 2,500 pounds  
 Pile hammers, steam, larger than 2,500 pounds  
 Rail per ton  
 Roller, horse  
 Steam drills  
 Small air drills  
 Steam roller  
 Steam shovel  
 Sprinkling cart  
 Saw benches  
 Saw benches, with motor or gasoline engine  
 Scale boxes  
 Scraper, wheel  
 Transits  
 Typewriter

Fuel and lubricants not included in these prices.

## LBP 18.

## CONTRACT FOR EMERGENCY WORK.

Construction of contract made and concluded this 19th day of July, 1917, by and between Bates & Rogers Construction Co., of Chicago, county of Cook, State of Illinois, a corporation organized under the laws of the State of Illinois, represented by W. A. Rogers, its president, party of the first party (hereinafter called contractor), and the United States of America, by Maj. D. H. Sawyer, Q. M. U. S. R. (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas it is advisable under the disturbed conditions which exist in the contracting industry throughout the country for the United States to depart from the usual procedure in the matter of letting contracts, and adopt means that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided;

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

**ARTICLE 1. Extent of the work.**—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work:

Road facilities at Camp Grant, Ill., in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of article 2 hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. Cost of the work.**—The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clam-shell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineers' levels and tran-



sits, and such other equipment as may be necessary for the proper and legal prosecution of the work.

Rental to the contractor for such construction plant or parts that he may own and furnish, at the rates mentioned in the schedule of items hereto attached, except as hereinafter set forth. When such construction or any part thereof shall arrive at the site of the work, the contractor with the contracting officer a schedule setting forth the fair valuation of each part of such construction plant. Such valuation shall be final, unless the contracting officer shall, within five days after the same has been set up and is working, modify or change such valuation, in which case the valuation so made by the contracting officer shall be deemed final. If the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid to the contractor. If the total rental paid to the contractor for any such part shall be less than the valuation thereof, the difference therebetween shall vest in the United States. At the completion of the work, the contracting officer may at his option purchase for the United States any such construction plant then owned by the contractor by paying to the contractor the difference between the valuation of such part or parts and the rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, and shall be in conformity with rates of rental charged in the particular cases in which the work covered by this contract is to be performed. The contracting officer shall furnish or supply any such equipment, the rental of which shall not be allowed any rental therefor and shall receive no fee for such equipment.

(d) Loading and unloading such construction plant, the transportation of it to and from the place or places where it is to be used in connection with said work subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during the work in the said work.

(e) Transportation and expenses to and from the work of the necessary forces for the economical and successful prosecution of the work, including labor, and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is not applied to said work but is divided between said work and other duties, his salary shall be included in this item only in proportion to the time so applied to this work.

(g) Buildings and equipment required for necessary field offices, a workshop and hospital and the cost of maintaining and operating said offices, workshop and hospital, including such minor expenses as telegrams, telephone, expressage, postage, etc.

(h) Such bonds, fire, liability, and other insurance as the contractor may approve or require; and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with third parties by consent and approval of the contracting officer), by the contractor in connection with said work, and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall be included in the cost of the work for the purpose of determining the fee. The cost of reconstructing and replacing any of the work damaged shall be included in the cost of the work for the purpose of determining the fee to the contractor, but not for the purpose of determining the fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract, and necessarily incurred during the execution of the work under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation traveling and hotel expenses of the contracting officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed to the contractor by the contracting officer, it shall be specifically certified as being allowed in the contract.



The United States reserves the right to pay directly to common carriers any or all freight charges on material of all kinds, and machinery, furnished under this contract, and certified by the contracting officer as being for installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall pay and as shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based; provided that charges for transportation of such construction equipment, construction plant, and tools over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expense incurred in conducting the contractor's main office, or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed a fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

If the cost of the work is under \$100,000, a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$10,000.

If the cost of the work is over \$125,000 and under \$250,000, a fee of 8 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of \$20,000.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 7½ per cent of such cost.

If the cost of the work is over \$500,000 and under \$535,714.29, a fee of \$37,500.

If the cost of the work is over \$535,714.29 and under \$3,000,000, a fee of 7 per cent of such cost.

If the cost of the work is over \$3,000,000 and under \$3,500,000, a fee of \$210,000.

If the cost of the work is over \$3,500,000, a fee of 6 per cent of such cost.

*Provided, however,* That the fee upon such part of the cost of the work as is represented by payments to subcontractors, under subdivision (b) above, shall in each of the above contingencies be 5 per cent, and no more, of the amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor, but for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof—not exceeding 7 per cent—as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$250,000, anything in this agreement to the contrary notwithstanding.

**ART. 4. Payments.**—On or about the 7th day of each month the contracting officer and the contractor shall prepare a statement showing as completely as possible: (1) The cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount equal to 3½ per cent, except as herein otherwise provided, of the sum of (1) and (2) on account of the contractor's fee; and the contractor at such time shall deliver to the contracting officer original signed payrolls for labor, original invoices

for materials purchased, and all other original papers not theretofore supporting expenditures claimed by the contractor to be included of the work. If there be any item or items entering into such statement which the contractor and the contracting officer can not agree, then the contracting officer as to such disputed item or items shall give the contracting officer shall then pay to the contractor on or about the first of each month the cost of the work mentioned in (1) and the fee in (3) of such statement, less all previous payments. When the above mentioned includes any work of reconstructing and replacing destroyed or damaged, the payment on account of the fee in (3) for reconstruction and replacement work shall be computed at such rate not exceeding 3½ per cent, as the contracting officer may determine. The so made and all payments made thereon shall be final and binding on the parties hereto, except as provided in article 24 hereof. The contractor may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the above mentioned or for other lawful purposes. Upon final completion of the work, the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee as determined under article 24 hereof.

**ART. 5. Inspection and audit.**—The contracting officer shall at all times be afforded proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda of every description of the contractor pertaining to the work, and the contractor shall preserve for a period of two years after the completion or cessation of work under this contract, all the books, records, papers just mentioned. Any duly authorized representative of the contracting officer shall be accorded the privilege of examining the books, records, and papers of the contractor relating to said work for the purpose of checking and verifying the cost of said work. The system of accounting to be used by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor or other bills legitimately incurred by the contractor hereunder have not been promptly paid by the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such bills due past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer so that the contracting officer shall have the right to pay such bills directly, in the event such direct payments shall not be included in the cost of the work.

**ART. 6. Special requirements.**—The contractor hereby agrees that he will—  
(a) Begin the work herein specified at the earliest time practicable and diligently proceed so that such work may be completed at the earliest possible date.

(b) Promptly pay for all labor, material, or other service rendered by the contractor.  
(c) Procure, and thereafter maintain such insurance, in such form and for such amounts, and for such periods of time as the contracting officer may approve or require.

(d) Procure all necessary permits and licenses, and obey and observe all laws, regulations, ordinances, and other rules applying to such work in the United States of America, of the State or Territory wherein such work is done, or of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, in the event the contractor shall make by it or the furnishing to it of services, material, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States, the contractor will make all such contracts in its own name, and will not bind or obligate the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions of this contract, require the subcontractor to agree to comply fully with all the terms, conditions, and obligations of the contractor herein, excepting such as do not apply to the subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such orders, instructions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to protect and ~~subserve~~ the interest of the contracting officer and the United States.

**ART. 7. Right to terminate contract.**—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with promptness and diligence or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days' written notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and rights, and may complete, or employ any other person or persons to complete said work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in article 4 hereof; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental at the election of the contracting officer, for any equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind, on the part of the contractor hereunder or on account hereof.

**ART. 8. Abandonment of work by contracting officer.**—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments and unliquidated claims as the contractor may have theretofore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee, as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any and all demands, actions or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 9. Bond.**—The contractor shall prior to commencing the said work furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$5,500, conditional upon its full and faithful performance of all the terms, conditions and provisions of this contract, and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor.



ART. 10.—*Convict labor.*—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment or hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

ART. 11. *Hours and conditions of labor.*—No laborer or mechanic employed in any part of the work contemplated by this contract, in the employ of the contractor, or any subcontractor contracting for any part of said work, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of the United States and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$500 shall be imposed upon the contractor for each laborer or mechanic for every day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld until the use and benefit of the United States: *Provided*, That this paragraph shall not be enforced nor shall any penalty be exacted in case such violation occurs while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions of such act in whole or in part with respect to either this contract or any class of contracts to which this contract shall be included, or when the violation shall be caused by any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by any extraordinary events or conditions on account of which, by subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, investigate the dispute, or the contractor or subcontractor involved in such dispute as to the method of settling the same, which the contractor or subcontractor should follow with reference to the dispute, and the contractor or subcontractor shall thereupon comply with such decision.

ART. 12. *Right to transfer or sublet.*—Neither this contract, nor any part thereof, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing of the contracting officer, the contracting officer may refuse to carry out this contract, either with the transferrer or transferee, but all rights of action for a breach of this contract by the contractor are reserved to the United States.

ART. 13. *No participation in profits by Government officials.*—No Member of Congress, Delegate to Congress or Resident Commissioner, nor any other person holding office or employed in the military service of the United States, shall be admitted to any share or part of this contract, or to any benefit arising therefrom, but this article shall not apply to this contract so far as it relates to the operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

ART. 14. *Settlement of disputes.*—This contract shall be interpreted in its whole and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. However, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, he shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

ART. 15. This contract shall bind and inure to the contractor and his successors.

It is understood and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successors or any other person to whom the duties of the contracting officer are transferred.

assigned by the Secretary of War and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

BATES & ROGERS CONSTRUCTION Co.,  
By W. A. ROGERS, *President*.

Attest:

C. V. BURGHART,

UNITED STATES OF AMERICA,  
By D. H. SAWYER,  
*Contracting Officer*.

Attest:

D. A. TOMLINSON.

Bond of \$5,500, July 19, 1917; the Fidelity & Casualty Co., of New York.

I certify that this is a true copy.

R. H. CASE,  
*Major, Quartermaster Corps.*

#### SCHEDULE OF RENTAL RATES PER DAY.

Automobiles.....	\$5.00
Adding and listing machines.....	.20
Buckets, tippie and bottom dump.....	.25
Boring machine, pneumatic.....	.50
Boring machine, electric.....	.50
Buckets, orange-peel, 1 yard.....	3.50
Buckets, orange-peel, less than 1 yard.....	2.00
Buckets, clamshell.....	2.00
Boiler, and 3-drum engine.....	3.50
Boiler, and 2-drum engine.....	3.00
Boiler, and 1-drum engine.....	2.50
Boiler only, 30 horsepower and smaller.....	1.50
Boiler only, larger than 30 horsepower.....	2.00
Block machine, concrete.....	1.50
Cars, skip, 1½ yards.....	.25
Cars, skip, 3 yards.....	.50
Cars, steel, 1 yard and smaller.....	.15
Cars, 4-yard, wooden.....	.25
Cars, 6-yard, wooden.....	.75
Cars, 12-yard, wooden.....	2.00
Cars, 1 hopper, radial gate.....	.25
Crushers only.....	2.00
Crushers, with elevator and screen.....	3.00
Conveyor, gravity, per 100 feet.....	1.00
Compressor, 10 by 10, with steam engine.....	2.50
Compressor, 8 by 8, belt-driven.....	1.00
Compressor, with gasoline engine on wheels.....	5.00
Compressor, Westinghouse, 9½-inch.....	1.00
Cableways, without engine.....	4.00
Drill, auto traction.....	5.00
Dump wagons.....	.25
Diving outfit with pumps.....	10.00
Derricks, 60 feet to 85 feet.....	2.00
Derricks, 30 feet to 59 feet.....	1.50
Derricks, less than 30 feet.....	1.00
Derricks, breast.....	.25
Derricks, circle swing.....	.25
Elevators, platform or bucket.....	.25
Elevators, with bins for concrete.....	.50
Engines, skeleton, 3-drum.....	2.00
Engines, skeleton, 2-drum.....	1.50
Engines, skeleton, 1-drum.....	1.00
Engines, steam, horizontal, 11 to 40 horsepower.....	1.50
Engines, steam, upright, to 10 horsepower.....	.50
Engines, gasoline, to 8 horsepower.....	.50
Engines, 2-drum, with electric motor.....	4.00



Fuel and lubricants not included in these prices.

CONTRACT FOR EMERGENCY WORK—CONSTRUCTION OR ALTERATIONS, ADDITIONS, AND REPAIRS AT CAMP GRANT.

Whereas the Congress having declared by joint resolution approved 1917, that war exists between the United States of America and Germany, and a national emergency exists and the United States urgently requires the performance of the work hereinafter described, and it is necessary that such work shall be completed within the shortest possible time; and

Whereas it is advisable, under the disturbed conditions which exist in the contracting industry throughout the country, for the United States to depart from the usual procedure in the matter of letting contracts and adopt means that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided;

Now, therefore, this contract witnesseth, That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

**ARTICLE 1. *Extent of the work.***—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work:

Alterations, additions, and repairs at Camp Grant, Rockford, Ill., such as may be ordered from time to time in writing within six months from the date hereof, in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States, and upon delivery at the site of the work and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials for which the contractor shall be entitled to be reimbursed under paragraph (a) of article 2 hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. *Cost of the work.***—The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies, and equipment necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clamshell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineers' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof as it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work the contractor shall file with the contracting officer a schedule setting forth the fair valuation at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid to the contractor, and title thereto shall vest in the United States. At the completion of the work the constructing officer may at his option purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor the difference



between the valuation of such part or parts and the total rentals paid therefor.

Rates of rental as substitutes for such scheduled rental rates may upon in writing between the contractor and the contracting officer, to be in conformity with rates of rental charged in the particular to which the work covered by this contract is to be performed. If the officer shall furnish or supply any such equipment, the contractor shall be allowed any rental therefor and shall receive no fee for the use of same.

(d) Loading and unloading such construction plant, the transportation to and from the place or places where it is to be used in connection with the work, subject to the provisions hereinafter set forth, the installation, dismantling thereof, and ordinary repairs and replacements during the work.

(e) Transportation and expenses to and from the work of the necessary forces for the economical and successful prosecution of the work, labor, and expediting the production and transportation of material.

(f) Salaries of resident engineers, superintendents, timekeepers, and other employees at the field offices of the contractor in connection with the work. In case the full time of any field employee of the contractor is applied to said work, but is divided between said work and other work, his salary shall be included in this item only in proportion to the actual time spent on this work.

(g) Buildings and equipment required for necessary field offices, camp and hospital, and the cost of maintaining and operating said offices, camp and hospital, including such minor expenses as telegrams, telephone, expressage, postage, etc.

(h) Such bonds, fire liability, and other insurance as the contracting officer may approve or require; and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with third parties with the consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the negligence or neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contractor's cost of reconstructing and replacing any of the work destroyed or damaged, but shall be included in the cost of the work for the purpose of reimbursement to the contractor, but not for the purpose of determining the contractor's fee hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract, and necessarily incurred. Expenses under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling, and hotel expenses of the contractor's officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should, in the opinion of the contracting officer, be included in the cost of the work. When such an item is allowed to the contractor by the contracting officer it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers or all freight charges on material of all kinds and machinery furnished under this contract and certified by the contracting officer as being for use in the work for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction materials, and supplies of every character shall be treated as part of the cost of the work upon which the Contractor's fee shall be based; provided that the transportation of such construction equipment, construction plant, and supplies over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expenses incurred in conducting the contractor's main office, or regularly established field office, and no overhead expenses of any kind, except as specifically allowed

shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed, a fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

If the cost of the work is under \$100,000 a fee of 10 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$10,000.

If the cost of the work is over \$125,000 and under \$25,000, a fee of 8 per cent of such cost.

If the cost of the work is over \$250,000 and under \$266,666.67, a fee of \$20,000.

If the cost of the work is over \$266,666.67 and under \$500,000, a fee of 7½ per cent of such cost.

If the cost of the work is over \$500,000 and under \$535,714.29, a fee of \$37,500.

If the cost of the work is over \$535,714.29 and under \$3,000,000, a fee of 7 per cent of such cost.

If the cost of the work is over \$3,000,000 and under \$3,500,000, a fee of \$210,000.

If the cost of the work is over \$3,500,000 a fee of 6 per cent of such cost.

*Provided, however,* That the fee upon such part of the cost of the work as is represented by payments to subcontractors under subdivision (b) above shall in each of the above contingencies be 5 per cent and no more of the amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor, but for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof—not exceeding 7 per cent—as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$15,000, anything in this agreement to the contrary notwithstanding.

**ART. 4. Payments.**—On or about the 7th day of each month the contracting officer and the contractor shall prepare a statement showing as completely as possible: (1) The cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount equal to 3½ per cent, except as herein otherwise provided, of the sum of (1) and (2) on account of the contractor's fee; and the contractor at such time shall deliver to the contracting officer original signed pay rolls for labor, original invoices for materials purchased, and all other original papers not theretofore delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into such statement upon which the contractor and the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor on or about the 9th day of each month, the cost of the work mentioned in (1) and the fee mentioned in (3) of such statement, less all previous payments. When the statement above mentioned includes any work of reconstructing and replacing work destroyed or damaged, the payment on account of the fee in (3) for such reconstruction and replacement work shall be computed at such rate, not exceeding 3½ per cent, as the contracting officer may determine. The statement so made and all payments made thereon shall be final and binding upon both parties hereto, except as provided in article 14 hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates above mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the



contractor the unpaid balance of the cost of the work and of the determined under articles 2 and 3 hereof.

**ART. 5. *Inspection and audit.***—The contracting officer shall at all afforded proper facilities for inspection of the work and shall at have access to the premises, to the work and material, and to a records, correspondence, instructions, plans, drawings, receipts, vouchers, memoranda of every description of the contractor pertaining to said work and the contractor shall preserve for a period of two years after completion or cessation of work under this contract all the books, records, and other papers just mentioned. Any duly authorized representative of the contractor shall be accorded the privilege of examining the books, records, and papers of the contracting officer relating to said work for the purpose of checking up and verifying the cost of said work. The system of accounting to be employed by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor, or other bills legitimately incurred by the contractor hereunder are not promptly paid by the contractor the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such bills past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer, so to do then the contracting officer shall have the right to pay the bills directly, in which event such direct payments shall not be included in the cost of the work.

**ART. 6. *Special requirements.***—The contractor hereby agrees that it

(a) Begin the work herein specified at the earliest time practicable and diligently proceed so that such work may be completed at the earliest date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure and thereafter maintain such insurance in such form and for such amounts and for such periods of time as the contracting officer may approve or require.

(d) Procure all necessary permits and licenses, and obey and conform to all laws, regulations, ordinances, and other rules applying to such work in the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, insert in every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of such work hereunder, a provision that such contract is assignable to the United States and that the contractor will make all such contracts in its own name, and will not bind itself to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions of this article, require the subcontractor to agree to comply fully with all the terms, conditions, and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such orders, directions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to preserve and subserve the interest of the contracting officer and the United States.

**ART. 8. *Right to terminate contract.***—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with promptness and diligence, or default in the performance of any of the agreements contained, the contracting officer may, at his option, after five days notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing such work of all materials, tools, equipment, and appliances, and all options, contracts, and rights, and may complete, or employ any other person or persons to complete said work. In case of such termination of the contract the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as may be determined in fully reimbursing the contractor for the cost of the work up to the date of such termination, plus a fee computed thereon at the rate or rates of monthly payments set forth in article 4 hereof; and the contractor shall also pay to the contractor compensation, either by purpose of such termination, at the election of the contracting officer, for any equipment retained

compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States, or either of them, for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 8. *Abandonment of work by contracting officer.***—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 9. *Bond.***—The contractor shall, prior to commencing the said work, furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$10,000, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor.

**ART. 10. *Convict labor.***—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

**ART. 11. *Hours and conditions of labor.***—No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violations of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld for the use and benefit of the United States; provided, that this paragraph shall not be enforced, nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to either this contract or any class of contracts in which this contract shall be



included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine or flood, by danger to life or property, or by other extraordinary events or conditions on account of which, by subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours or other conditions appertaining to said work between the contractor or any subcontractor and labor employed by him on said work the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps which the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions.

ART. 12. *Right to transfer or sublet.*—Neither this contract nor any interest therein shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval, in writing, of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out this contract either with the transferror or transferee, but all rights of action for any breach of this contract by the contractor are reserved to the United States.

ART. 13. *No participation in profits by Government officials.*—No Member of or Delegate to Congress or Resident Commissioner, nor any other person belonging to or employed in the military service of the United States, is or shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract so far as it may be within the operation or exception of section 116 of the act of Congress approved March 4, 1909. (35 Stats., 1109.)

ART. 14. *Settlement of disputes.*—This contract shall be interpreted as a whole, and the intent of the whole instrument rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, it shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

ART. 15. This contract shall bind and insure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successor in office, any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

ROSS P. BECKSTROM Co.  
By ROSS P. BECKSTROM,  
President.

Witnesses:  
FRANK E. MAYNARD.  
IONE FRISHWATERS.

UNITED STATES OF AMERICA.  
By I. W. LITTELL,  
Brigadier General, Quartermaster Corps,  
National Army, Contracting Officer.

Witnesses:  
M. J. SWAYZEE.  
H. L. FRANCISCO.

Bond of \$10,000; Massachusetts Bonding & Insurance Co., Boston, December 21, 1917.

This is a true copy:

R. H. CASE,  
Major, Quartermaster Corps.

## SCHEDULE OF RENTAL RATES PER DAY.

Automobiles.....	\$5. 00
Adding and listing machines.....	. 20
Buckets, tipple and bottom dump.....	. 25
Boring machine, pneumatic.....	. 50
Boring machine, electric.....	. 50
Buckets, orangepeel, 1 yard.....	3. 50
Buckets, orangepeel, less than 1 yard.....	2. 00
Bucket, clamshell.....	2. 00
Boiler, and 3-drum engine.....	3. 50
Boiler, and 2-drum engine.....	3. 00
Boiler, and 1-drum engine.....	2. 50
Boiler only, 30 horsepower and smaller.....	1. 50
Boiler only, larger than 30 horsepower.....	2. 00
Block machine, concrete.....	1. 50
Cars, skip, 1½ yards.....	. 25
Cars, skip, 3 yards.....	. 50
Cars, steel, 1 yard and smaller.....	. 15
Cars, 4 yards, wooden.....	. 25
Cars, 6 yards, wooden.....	. 75
Cars, 12 yards, wooden.....	2. 00
Cars, 1 hopper, radial gate.....	. 25
Crushers only.....	2. 00
Crushers, with elevator and screen.....	3. 00
Conveyor, gravity, per 100 feet.....	1. 00
Compressor, 10 by 10, with steam engine.....	2. 50
Compressor, 8 by 8, belt driven.....	1. 00
Compressor, with gasoline engine on wheels.....	5. 00
Compressor, Westinghouse, 9½-inch.....	1. 00
Cableways, without engine.....	4. 00
Drill, auto traction.....	5. 00
Dump wagons.....	. 25
Diving outfit with pumps.....	10. 00
Derricks, 60 feet to 85 feet.....	2. 00
Derricks, 30 feet to 59 feet.....	1. 50
Derricks, less than 30 feet.....	1. 00
Derricks, breast.....	. 25
Derricks, circle swing.....	. 25
Elevators, platform or bucket.....	. 25
Elevators, with bins for concrete.....	. 50
Engines, skelton, 3-drum.....	2. 00
Engines, skelton, 2-drum.....	1. 50
Engines, skelton, 1-drum.....	1. 00
Engines, steam, horizontal, 11 to 40 horsepower.....	1. 50
Engines, steam, upright, to 10 horsepower.....	. 50
Engines, gasoline, to 8 horsepower.....	. 50
Engines, 2-drum, with electric motor.....	4. 00
Engines, gasoline, 10 horsepower.....	1. 00
Engines, derrick, swinging.....	. 50
Hammers, rivetting.....	. 25
Hod elevator machine.....	1. 00
Levelling instruments, engineers'.....	. 25
Locomotive, 36-inch gauge.....	5. 00
Locomotive, standard gauge.....	10. 00
Mixers, with boiler sideloader.....	4. 00
Mixers, with electric motors, 1 yard.....	4. 00
Mixers, without boiler, less than 1 yard.....	2. 00
Mixers, without boiler, 1 yard and larger.....	3. 50
Mixers, with gasoline engine.....	3. 00
Motorcycles.....	1. 00
Motors, 2 horsepower.....	. 15
Motors, 5 horsepower.....	. 25
Motors, 10 horsepower.....	. 50
Motors, 25 horsepower.....	1. 00
Motors, 50 horsepower.....	2. 00
Pumps, centrifugal, 10-inch, belt driven.....	3. 00

Pumps, centrifugal, 10-inch, with motor attached	\$4. 00
Pumps, centrifugal, 8-inch steam connected	2. 00
Pumps, centrifugal, 6-inch, steam connected	1. 50
Pumps, centrifugal, 4-inch, steam connected	1. 00
Pumps, duplex and triplex to 3-inch	. 50
Pumps, pulso-meter to 4-inch	1. 55
Pumps, diaphragm	. 20
Pumps, diaphragm, with gas engine	1. 05
Pumps, triplex, with belt drive	. 20
Pile Drivers, drop	1. 50
Pile drivers, drop, with single drum engine and boiler	3. 50
Pile hammers, steam, up to 2,500 pounds	3. 00
Pile hammers, steam, larger than 2,500 pounds	5. 00
Rail, per ton	. 06
Roller, horse	1. 00
Steam drills	1. 00
Small air drills	. 50
Steam roller	8. 00
Steam shovel	30. 00
Sprinkling cart	1. 00
Saw benches	. 25
Saw benches, with motor or gasoline engine	. 50
Scale boxes	. 25
Scraper wheel	. 50
Transits	. 50
Typewriter	. 10

Fuel and lubricants not included in these prices.

#### CONTRACT FOR EMERGENCY WORK—ENLARGEMENT OF CAMP GRANT.

Contract made and concluded this 6th day of September, 1918, by and between Henry Ericsson Co., of 139 North Clark Street, Chicago, Ill., a corporation organized under the laws of the State of Illinois, represented by Henry Ericsson, its president, party of the first part (hereinafter called contractor) and the United States of America, by R. C. Marshall, jr., brigadier general, United States Army (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas, the Congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas, it is advisable, under the disturbed conditions which exist in the contracting industry throughout the country, for the United States to depart from the usual procedure in the matter of letting contracts, and adopt means that will insure the most expeditious results; and

Whereas, the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided;

And whereas, it is not practicable to do the work hereinafter provided on or under any form of contract other than that which hereinafter follows, nor will circumstances permit the delay in letting this contract until at least those responsible competing contractors shall have been notified and considered in connection with such contract and the awarding of the contract to the lowest bidder.

Now, therefore, this contract witnesseth, That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

ARTICLE 1. *Extent of the work.*—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work:

Enlargement of Camp Grant, and such other work in connection therewith as it may be ordered in writing by the contracting officer to do, in accordance



with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of article 2 hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. Cost of the work.**—The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done, without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clam-shell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineers' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof as it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair valuation at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid to the contractor, and title thereto shall vest in the United States. At the completion of the work, the contracting officer may at his option purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor the difference between the valuation of such part or parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, such rates to be in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall not be allowed any rental therefor and shall receive no fee for the use of such equipment.

(d) Loading and unloading such construction plant, the transportation therefor to and from the place or places where it is to be used in connection with said work, subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during its use in the said work.

(e) Transportation and expenses to and from the work of the necessary field forces for the economical and successful prosecution of the work, pro-

curing labor and expediting the production and transportation and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is applied to said work but is divided between said work and other work, the salary shall be included in this item only in proportion to the amount of time applied to this work.

(g) Buildings and equipment required for necessary field offices, and hospital and the cost of maintaining and operating said offices, and hospital, including such minor expenses as telegrams, telephone, expressage, postage, etc.

(h) Such bonds, fire, public liability, employers' liability, workmen's compensation and other insurance as the contracting officer may require and such losses and expenses, not compensated by insurance, otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with the written approval of the contracting officer) by the contractor in connection with the work, and to have clearly resulted from causes other than the fault of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contractor's fee. The cost of constructing and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of reimbursement to the contractor, but not for the purpose of determining the contractor's fee as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items incidental to the execution of this contract, and necessarily incurred in the execution of this contract, and necessarily incurred in the execution of this contract, and necessarily incurred in the execution of this contract.

(j) Such proportion of the transportation, traveling, and hotel expenses of officers, engineers, and other employees of the contractor as is incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed, it shall be specifically certified as being allowed under this contract.

The United States reserves the right to pay directly to common carriers or all freight charges on material of all kinds, and machinery, furnished under this contract, and certified by the contracting officer as being for use in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction materials, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based; provided that transportation of such construction equipment, construction materials over distances in excess of five hundred miles shall require the specific approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the cost incurred in conducting the contractor's main office, or regularly maintained branch office, and no overhead expenses of any kind, except as specified above, shall be included in the cost of the work; nor shall any capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts and rebates available, and when unable to take such advantage shall prove the same to the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital or other establishment, or from rebates, refunds, etc., shall be accounted for by the contractor in reduction of the cost of the work.

ART. 3. *Determination of fee.*—As full compensation for the services of the contractor, including profit and all general overhead expense, except as specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed a fee to be determined at the completion of the work from the following schedule, except as hereinafter provided:

If the cost of the work is \$100,000 or under, a fee of 7 per cent;  
If the cost of the work is over \$100,000 and under \$125,000, a fee of 6 per cent;

If the cost of the work is over \$125,000 and under \$450,000, a fee of 6½ per cent.

If the cost of the work is over \$450,000 and under \$500,000, a fee of \$29,250.

If the cost of the work is over \$500,000 and under \$1,000,000, a fee of 6 per cent.

If the cost of the work is over \$1,000,000 and under \$1,100,000, a fee of \$60,000.

If the cost of the work is over \$1,100,000 and under \$1,500,000, a fee of 5½ per cent.

If the cost of the work is over \$1,500,000 and under \$1,650,000, a fee of \$82,500.

If the cost of the work is over \$1,650,000 and under \$2,200,000, a fee of 5 per cent.

If the cost of the work is over \$2,200,000 and under \$2,450,000, a fee of \$110,000.

If the cost of the work is over \$2,450,000 and under \$2,850,000, a fee of 4½ per cent.

If the cost of the work is over \$2,850,000 and under \$3,250,000, a fee of \$128,250.

If the cost of the work is over \$3,250,000 and under \$4,000,000, a fee of 4 per cent.

If the cost of the work is over \$4,000,000 and under \$4,250,000, a fee of \$160,000.

If the cost of the work is over \$4,250,000 and under \$4,775,000, a fee of 3½ per cent.

If the cost of the work is over \$4,775,000 and under \$5,175,000, a fee of \$179,062.50.

If the cost of the work is over \$5,175,000 and under \$5,725,000, a fee of 8½ per cent.

If the cost of the work is over \$5,725,000 and under \$6,225,000, a fee of \$200,375.

If the cost of the work is over \$6,225,000 and under \$6,825,000, a fee of 3½ per cent.

If the cost of the work is over \$6,825,000 and under \$7,400,000, a fee of \$221,812.50.

If the cost of the work is over \$7,400,000 and under \$7,750,000, a fee of 3 per cent.

If the cost of the work is over \$7,750,000 and under \$8,350,000, a fee of \$235,500.

If the cost of the work is over \$8,350,000 and under \$8,800,000, a fee of 2½ per cent.

If the cost of the work is over \$8,800,000 and under \$9,650,000, a fee of \$242,000.

If the cost of the work is over \$9,650,000 and under \$10,000,000, a fee of 2½ per cent.

If the cost of the work is over \$10,000,000, a fee of \$250,000.

Provided, however, that the fee upon such part of the cost of the work as is represented by payments to subcontractors, under subdivision (b) of article 2 hereof, shall in each of the above contingencies be 2½ per cent, and no more of the amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor, but for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof—not exceeding 7 per cent—as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$200,000, anything in this agreement to the contrary notwithstanding.

**ART. 4. Payments.**—On or about the 7th day of each month the contracting officer and the contractor shall prepare a statement showing as completely as possible: (1) The cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount equal to 2½ per cent, except as herein otherwise provided, of the sum of (1) and (2) on account of the contractor's fee; and the contractor at such time shall deliver to the contracting

officer original signed pay rolls for labor, original invoices for materials purchased, and all other original papers not theretofore delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into such statement upon which the contractor and the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor on or about the 9th day of each month the cost of the work mentioned in (1) and the fee mentioned in (3) of such statement, less all previous payments. When the statement above mentioned includes any work of reconstructing and replacing work destroyed or damaged, the payment or account of the fee in (3) for such reconstruction and replacement work shall be computed at such rate, not exceeding 2½ per cent, as the contracting officer may determine. The statement so made and all payments made thereon shall be final and binding upon both parties hereto, except as provided in article 14 hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates above mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee as determined under articles 2 and 3 hereof.

**ART. 5. Inspection and audit.**—The contracting officer shall at all times be afforded proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda of every description of the contractor pertaining to said work, and the contractor shall preserve for a period of two years after its completion or cessation of work under this contract all the books, records, and other papers just mentioned. Any duly authorized representative of the contractor shall be accorded the privilege of examining the books, records, and papers of the contracting officer relating to said work for the purpose of checking up and verifying the cost of said work. The system of accounting to be employed by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor, material or other bills legitimately incurred by the contractor hereunder, are not promptly paid by the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such obligations past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer so to do, then the contracting officer shall have the right to pay such bills directly, in which event such disbursement shall not be included in the cost of the work.

**ART. 6. Special requirements.**—The contractor hereby agrees that it will:

(a) Begin the work herein specified at the earliest time practicable and diligently proceed so that such work may be completed at the earliest possible date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure and thereafter maintain such insurance in such forms and in such amounts and for such periods of time as the contracting officer may approve or require.

(d) Procure all necessary permits and licenses and obey and abide by all laws, regulations, ordinances, and other rules applying to such work of the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer insert in every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States; and make all such contracts in its own name, and will not bind or purport to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions hereof, require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.



(A) At all times use its best efforts in all its acts hereunder to protect and subserve the interest of the contracting officer and the United States.

**ART. 7. Right to terminate contract.**—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with promptness and diligence, or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days' written notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and rights, and may complete or employ any other person or persons to complete said work. In case of such termination of the contract the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in article 4 hereof; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental, at the election of the contracting officer, for any equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States, or either of them, for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 8. Abandonment of work by contracting officer.**—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments and unliquidated claims as the contractor may have theretofore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder, or on account hereof.

**ART. 9. Bond.**—The contractor shall prior to commencing the said work furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$200,000, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract, and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor.

ART. 10. *Convict labor.*—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

ART. 11. *Hours and conditions of labor.*—No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld for the use and benefit of the United States; provided, that this paragraph shall not be enforced nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to either this contract or any class of contracts in which this contract shall be included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by other extraordinary events or conditions on account of which, by subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or other conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps which the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions.

ART. 12. *Right to transfer or sublet.*—Neither this contract nor any interest therein shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out the contract either with the transferor or transferee, but all rights of action for any breach of this contract by the contractor are reserved to the United States.

ART. 13. *No participation in profits by Government officials.*—No Member of or Delegate to Congress or Resident Commissioner, nor any other person belonging to or employed in the military service of the United States, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract so far as it may be within the operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

ART. 14. *Settlement of disputes.*—This contract shall be interpreted as a whole and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider itself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of the Construction Division of the Army for determination. If, however, the contractor shall feel aggrieved by the decision of that officer, it shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

ART. 15. This contract shall bind and inure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successor in office, any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

HENRY ERICSSON Co.,  
By HENRY ERICSSON, *President.*

## Witnesses:

GORDON H. FOX,  
DANIEL P. TRASK.

UNITED STATES OF AMERICA,  
By R. C. MARSHALL, JR.,  
*Brigadier General, United States Army,  
Contracting Officer.*

## Witnesses:

M. J. SWAYZEE.  
G. C. MEYER.

This is a true copy:

R. H. CASE,  
*Major, Quartermaster Corps.*

## SCHEDULE OF RENTAL RATES PER DAY.

The following ranges of rental rates are shown only as an indication of what may be allowed. Rentals will be fixed by contracting officer who will take into consideration sizes, capacities, conditions, and fair market valuations of equipment. Rentals for equipment not shown on list following will be fixed as provided in last paragraph of section (c) of article 2 hereof.

Automobiles	\$2.00-\$8.00
Adding and listing machines and typewriters	.25- .50
Buckets, tippie, bottom dump, orange-peel, clamshell, etc.	.50- 2.00
Boring machines, power driven	.20- .75
Back fillers, power driven	2.50-10.00
Block machines, concrete	
Bollers, upright and horizontal	1.50- 6.00
Cars, steel or wooden, contractors'	.40- 2.00
Crushers, stone	
Compressors	1.50- 8.00
Derricks, with or without power	.50-20.00
Dirt spreaders	2.00-15.00
Diving outfits complete	
Engines, skeleton, with or without slewing gears	2.00- 5.00
Engines, traction	2.00-15.00
Hammers, riveting	
Instruments, engineering	.25- 1.00
Locomotives, narrow or standard gauge	5.00-25.00
Mixers, with or without power, equipped with loaders or not	1.00- 8.00
Motor cycles	.25- 1.00
Motors, electric	.25- 8.00
Pumps, with or without power	.50- 6.00
Pipe machines, with or without power	.50- 6.00
Pile drivers, drop, steam hammer or jet, with or without power	.50-25.00
Plows, not car unloaders	.25- 1.00
Rail, per ton	
Rollers, horse or power	.50-15.00
Scrapers, slip or wheel	.25- 1.00
Saws, power	.25- 5.00
Steam shovels	10.00-30.00
Skips, steel or wooden	.10- 1.00
Trench diggers	10.00-30.00
Trucks, motor	1.00-25.00
Wagons	.25- 1.00

Fuel, lubricants, and labor not included in the above.

SBP 26.

## SUBCONTRACT.

This contract, made and concluded this 1st day of November, 1918, by and between Henry Ericsson Co., of Chicago, Ill., a corporation organized under the



laws of the State of Illinois (hereinafter called the contractor), and Knisely Bros., of Chicago, Ill. (hereinafter called the subcontractor), witnesseth:

Whereas the contractor has heretofore, to wit, on the 6th day of September, 1918, entered into a contract with the United States of America to construct for the Government of the United States for enlargement of Camp Grant, and such other work in connection therewith as it may be ordered in writing by the contracting officer to do, at Camp Grant, Ill.; and

Whereas the parties hereto have agreed that the subcontractor shall for and in the stead of the contractor fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder:

Now, therefore, this contract witnesseth, that in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows:

1. The subcontractor shall, in the shortest possible time, furnish the labor, materials, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work. All sheet-metal work; setting up of stoves and furnaces.

2. In the performance of said contract the subcontractor binds itself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 6th day of September, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

3. It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, which the United States of America reserves to itself in the said principal contract, it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assume all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill every obligation to the United States of America according to the intent and provisions of said principal contract.

4. The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees, and to promptly pay all bills for labor, material, or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor will appear and defend same and hold the contractor clear of all loss, costs, or expense.

5. Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

6. The subcontractor shall be reimbursed by the contractor in the manner and for the items set out in article 2 of the principal contract hereinabove incorporated (except that no part of this contract may be sublet), for such of its actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included; provided, however, that the amount of fee to be paid by the contractor to the subcontractor shall be fixed

according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$15,000.

7. The contractor may retain out of any moneys at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Grant, Ill., the day and date first above written.

HENRY ERICSSON Co.,  
By HENRY ERICSSON,  
*President.*

Witnesses:  
T. S. LOWE.  
M. LARSON.

KNISELY BROS.,  
By THOS. P. SHEAN,  
*President.*

Witnesses:  
JOHN H. SEIBLY.  
W. H. ERICSSON.

#### CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of September 6, 1918, with Henry Ericsson Co. for enlargement at Camp Grant and such other work in connection therewith as it may be ordered in writing by the contracting officer to do at Camp Grant, Ill., does, on behalf of said contracting officer and the United States of America, hereby assent to and approve the foregoing subcontract between said Henry Ericsson Co. and Knisely Bros. for the performance of the work therein specified.

Witness my signature at Camp Grant, Ill., this 18th day of December, 1918.

W. T. CHARLES,  
*Major, Quartermaster Corps, Constructing Quartermaster.*

NOTE.—This form of subcontract should be executed in quintuplicate and, when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

This is a true copy.

R. H. CASE,  
*Major, Quartermaster Corps.*

SBP 27.

#### SUBCONTRACT.

This contract, made and concluded this 1st day of November, 1918, by and between Henry Ericsson Co., of Chicago, Ill., a corporation organized under the laws of the State of Illinois (hereinafter called the contractor), and Henry Newgard & Co., of Chicago, Ill. (hereinafter called the subcontractor), witnesseth:

Whereas the contractor has heretofore, to wit, on the 6th day of September, 1918, entered into a contract with the United States of America to construct for the Government of the United States for enlargement of Camp Grant, and

such other work in connection therewith as it may be ordered in writing by the contracting officer to do at Camp Grant, Ill.; and

Whereas the parties hereto have agreed that the subcontractor shall for and in the stead of the contractor fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder;

Now, therefore, this contract witnesseth, that in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows:

1. The subcontractor shall in the shortest possible time furnish the labor, materials, tools, machinery, equipment, facilities and supplies and do all things necessary for the construction and completion of the following work: All electrical work.

2. In the performance of said contract the subcontractor binds itself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 6th day of September, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

3. It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, which the United States of America reserves to itself in the said principal contract; it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill every obligation to the United States of America according to the intent and provisions of said principal contract.

4. The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees, and to promptly pay all bills for labor, material or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor will appear and defend same and hold the contractor clear of all loss, costs, or expense.

5. Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

6. The subcontractor shall be reimbursed by the contractor in the manner set forth for the items set out in article 2 of the principal contract hereinabove incorporated (except that no part of this contract may be sublet), for such of its actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included; provided, however, that the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included, if said work had been done under a direct and separate contract. The provisions of the principal contract

govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$30,000.

7. The contractor may retain out of any moneys at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Grant, Ill., the day and date first above written.

HENRY ERICSSON Co.,  
By HENRY ERICSSON, *President*.

Witnesses:

N. C. DEMAURE,  
W. E. SMITH.

HENRY NEWGARD & Co.,  
By HENRY NEWGARD, *President*.

Witnesses:

HARRY D. LA DUE,  
CARL LEVIN.

#### CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of September 6, 1918, with Henry Ericsson Co., of Chicago, Ill., to construct enlargement of Camp Grant and such other work in connection therewith as it may be ordered in writing by the contracting officer to do at Camp Grant, Ill., does on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing subcontract between said Henry Ericsson Co., and Henry Newgard Co., for the performance of the work therein specified.

Witness my signature at Camp Grant, Ill., this 3d day of January, 1919.

W. T. CHARLES,  
*Major, Quartermaster Corps, Constructing Quartermaster.*

NOTE.—This form of subcontract should be executed in quintuplicate, and when execution shall have been perfected the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

This is a true copy.

R. H. CASE,  
*Major, Quartermaster Corps.*

LBP 28.

#### SUBCONTRACT.

This contract, made and concluded this 31st day of October, 1918, by and between Henry Ericsson Co., of Chicago, Ill., a corporation organized under the laws of the State of Illinois (hereinafter called the contractor), and M. J. Corboy Co., of Chicago, Ill. (hereinafter called the subcontractor), witnesseth:

Whereas the contractor has heretofore, to wit, on the 6th day of September, 1918, entered into a contract with the United States of America to construct for the Government of the United States for enlargement of Camp Grant and such other work in connection therewith as it may be ordered in writing by the contracting officer to do at Camp Grant, Ill.; and

Whereas the parties hereto have agreed that the subcontractor shall, for and in the stead of the contractor, fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder;

Now, therefore, this contract witnesseth, that in consideration of the premises and of the payments to be made as hereinafter provided the subcontractor hereby covenants and agrees to and with the contractor as follows:

1. The subcontractor shall in the shortest possible time furnish the labor, materials, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the following work: All plumbing.

2. In the performance of said contract the subcontractor binds itself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 6th day of September, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

3. It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, which the United States of America reserves to itself in the said principal contract. It being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill every obligation to the United States of America according to the intent and provisions of said principal contract.

4. The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees, and to promptly pay all bills for labor, material, or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included the subcontractor, upon notice from the contractor, will appear and defend same and hold the contractor clear of all loss, costs, or expense.

5. Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

6. The subcontractor shall be reimbursed by the contractor in the manner and for the items set out in article 2 of the principal contract heretofore incorporated (except that no part of this contract may be sublet) for such of its actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included: *Provided, however*, That the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which under said schedule would be allowed a contractor for the work hereby included if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor; but the total fee to the subcontractor hereunder shall not exceed \$35,000.

7. The contractor may retain out of any moneys at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may

be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Grant, Ill., the day and date first above written.

HENRY ERICSSON Co.,  
By HENRY ERICSSON,  
*President.*

Witnesses:

N. C. DEMAURE.  
J. M. EGAN, Jr.

M. J. CORBOY Co.,  
By M. J. CORBOY,  
*President.*

Witnesses:

JOHN A. CORBOY.  
GEO. A. COLSON.

#### CONTRACTING OFFICER'S APPROVAL.

The undersigned, duly appointed and acting representative of the contracting officer, who entered into the contract of September 6, 1918, with Henry Ericsson Co. to construct enlargement of Camp Grant at Camp Grant, Ill., does, on behalf of said contracting officer and the United States of America, hereby assent to and approve the foregoing subcontract between said Henry Ericsson Co. and M. J. Corboy Co., plumbing contractors, for the performance of the work therein specified.

Witness my signature at Camp Grant, Ill., this 8th day of November, 1918.

W. T. CHARLES,  
*Major, Quartermaster Corps, Constructing Quartermaster.*

NOTE.—This form of subcontract should be executed in quintuplicate and, when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

This is a true copy.

R. H. CASE,  
*Major, Quartermaster Corps.*

LBP 29.

#### SUBCONTRACT.

This contract, made and concluded this 6th day of November, 1918, by and between Henry Ericsson Co., of Chicago, Ill., a corporation organized under the laws of the State of Illinois (hereinafter called the contractor), and Kehm Brothers Co., of Chicago, Ill. (hereinafter called the subcontractor), witnesseth:

Whereas, the contractor has heretofore, to wit, on the 6th day of September, 1918, entered into a contract with the United States of America to construct for the Government of the United States for enlargement of Camp Grant, and such other work in connection therewith as it may be ordered in writing by the contracting officer to do, at Camp Grant, Ill.; and

Whereas, the parties hereto have agreed that the subcontractor shall for and in the stead of the contractor fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas, the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder:

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows.

The subcontractor shall in the shortest possible time furnish the labor materials, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work: All steam heating.

In the performance of said contract the subcontractor binds itself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 6th day of September, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, what the United States of America reserves to itself in the said principal contract. It being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof so as to enable the contractor to fulfill every obligation to the United States of America according to the intent and provisions of said principal contract.

The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees, and to promptly pay all bills for labor, material, or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor to appear and defend same and hold the contractor clear of all loss, costs, and expense.

Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

The subcontractor shall be reimbursed by the contractor in the manner set forth for the items set out in article 2 of the principal contract hereinabove incorporated (except that no part of this contract may be sublet), for such of the actual expenditures in the performance of the work designated in article 2 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum of the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for the fee upon the work hereby included; provided, however, that the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included. If said work had been done under a direct or separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor, and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$30,000.

The contractor may retain out of any moneys at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may



be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Grant, Ill., the day and date first above written.

HENRY ERICSSON Co.,  
By HENRY ERICSSON, *President*.

Witnesses:

N. O. DEMAURE.  
J. M. EGAN, Jr.

Witnesses:

W. H. MERTZ.  
C. TRAPPEN.

KEHM BROTHERS Co.,  
By AUGUST KEHM, *President*.

#### CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of September 6, 1918, with Henry Ericsson Co. to construct enlargement of Camp Grant, at or near Camp Grant, Ill., does on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing subcontract between said Henry Ericsson Co. and Kehm Bros. Co., for the performance of the work therein specified.

Witness my signature at Camp Grant, Ill., this 8th day of November, 1918.

W. T. CHARLES,  
*Major, Quartermaster Corps, Constructing Quartermaster.*

NOTE.—This form of subcontract should be executed in quintuplicate and, when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

This is a true copy:

R. H. CASE,  
*Major, Quartermaster Corps.*

LBP 30.

#### SUBCONTRACT.

This contract, made and concluded this 21st day of October, 1918, by and between Henry Ericsson Co., of Chicago, Ill., a corporation organized under the laws of the State of Illinois (hereinafter called the contractor), and Zander-Reum Co., of Chicago, Ill. (hereinafter called the subcontractor), witnesseth:

Whereas the contractor has heretofore, to wit, on the 6th day of September, 1918, entered into a contract with the United States of America to construct for the Government of the United States, for enlargement of Camp Grant and such other work in connection therewith as it may be ordered in writing by the contracting officer to do at Camp Grant, Ill.; and

Whereas the parties hereto have agreed that the subcontractor shall, for and in the stead of the contractor, fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas the subcontractor has read and is familiar with each and every part of said contract and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder;

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor, as follows:

The subcontractor shall in the shortest possible time furnish the labor, materials, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work: All plastering and lathing.

In the performance of said contract, the subcontractor binds itself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 6th day of September, 1918, by and between the contractor

and the United States of America. Said principal contract is hereby adopted and made a part of this contract and a copy thereof is hereto attached.

It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, which the United States of America reserves to itself in the said principal contract, it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall, in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill every obligation to the United States of America according to the intent and provisions of said principal contract.

The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees, and to promptly pay all bills for labor, material, or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included the subcontractor, upon notice from the Contractor, will appear and defend same and hold the contractor clear of all loss, costs, or expense.

Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

The subcontractor shall be reimbursed by the contractor in the manner set out for the items set out in article 2 of the principal contract hereinabove incorporated (except that no part of this contract may be sublet), for such of the actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included: *Provided, however*, That the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$15,000.

The contractor may retain out of any moneys at any time due to the contractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may be retained until satisfactory evidence is furnished the contractor that all claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Champaign, Ill., the day and date first above written.

HENRY ERICSSON Co.,  
By HENRY ERICSSON, President

Witnesses:  
N. C. DEMAURE,  
W. E. SMITH.

ZANDER-REIM Co.,  
By WILLIAM ZANDER, President

Witnesses:  
OSCAR A. REIM,  
T. S. LOWE.

## CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of September 6, 1918, with Henry Ericsson Co., of Chicago, Ill., to construct enlargement of Camp Grant and such other work in connection therewith as it may be ordered in writing by the contracting officer to do at Camp Grant, Ill., does on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing subcontract between said Henry Ericsson Co. and Zander-Reum Co. for the performance of the work therein specified.

Witness my signature at Camp Grant, Ill., this 3d day of January, 1919.

W. T. CHARLES,

*Major, Quartermaster Corps, Constructing Quartermaster.*

**NOTE.**—This form of subcontract should be executed in quintuplicate, and when execution shall have been perfected the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

This is a true copy.

R. H. CASE,

*Major, Quartermaster Corps.*

LBP 23.

CONTRACT FOR EMERGENCY WORK—CONSTRUCTION OF ADDITION TO HOSPITAL, ETC.,  
AT CAMP GRANT.

Contract made and concluded this 20th day of February, 1918, by and between Henry Ericsson Co., of 139 North Clark Street, Chicago, Ill., a corporation organized under the laws of the State of Illinois, represented by Henry Ericsson, its president, party of the first part (hereinafter called contractor), and the United States of America, by Lieut. Col. R. C. Marshall, jr., Quartermaster Corps, National Army (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas it is advisable, under the disturbed conditions which exist in the contracting industry throughout the country, for the United States to depart from the usual procedure in the matter of letting contracts, and adopt means that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided:

Now, therefore, this contract witnesseth, That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

**ARTICLE 1. Extent of the work.**—The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work: Addition to hospital and such other work as it may be directed in writing by the contracting officer to do, at Camp Grant, near Rockford, Ill., in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as

if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of article 2 hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

**ART. 2. Cost of the work.**—The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, hollers, clamshell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineer's levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof as it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair valuation at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid to the contractor, and title thereto shall vest in the United States. At the completion of the work, the constructing officer may, at his option, purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor the difference between the valuation of such part or parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, such rates to be in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall not be allowed any rental therefor and shall receive no fee for the use of such equipment.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work, subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during its use in the said work.

(e) Transportation and expenses to and from the work of the necessary field forces for the economical and successful prosecution of the work, procuring labor and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, foremen, and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is not applied to said work but is divided between said work and other work, his salary

shall be included in this item only in proportion to the actual time applied to this work.

(g) Buildings and equipment required for necessary field offices, commissary, and hospital and the cost of maintaining and operating said offices, commissary, and hospital, including such minor expenses as telegrams, telephone service, expressage, postage, etc.

(h) Such bonds, fire, public liability, employers' liability, workmen's compensation, and other insurance as the contracting officer may approve or require, and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with the written consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contractor's fee. The cost of reconstructing and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of reimbursement to the contractor, but not for the purpose of determining the contractor's fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract and necessarily incurred. Expenditures under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling, and hotel expenses of officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed by the contracting officer, it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers any or all freight charges on material of all kinds, and machinery, furnished under this contract, and certified by the contracting officer as being for installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall pay and as shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based; provided that charges for transportation of such construction equipment, construction plant, and tools over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expense incurred in conducting the contractor's main office or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

**ART. 3. Determination of fee.**—As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed a fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

If the cost of the work is \$100,000 or under, a fee of 7 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$7,000.

If the cost of the work is over \$125,000 and under \$450,000, a fee of 6½ per cent.

If the cost of the work is over \$450,000 and under \$500,000, a fee of \$29,250.

If the cost of the work is over \$500,000 and under \$1,000,000, a fee of 6 per cent.

If the cost of the work is over \$1,000,000 and under \$1,100,000, a fee of \$60,000.

If the cost of the work is over \$1,100,000 and under \$1,500,000, a fee of 5½ per cent.

If the cost of the work is over \$1,500,000 and under \$1,650,000, a fee of \$82,500.

If the cost of the work is over \$1,650,000 and under \$2,200,000, a fee of 5 per cent.

If the cost of the work is over \$2,200,000 and under \$2,450,000, a fee of \$110,000.

If the cost of the work is over \$2,450,000 and under \$2,850,000, a fee of 4½ per cent.

If the cost of the work is over \$2,850,000 and under \$3,250,000, a fee of \$128,250.

If the cost of the work is over \$3,250,000 and under \$4,000,000, a fee of 4 per cent.

If the cost of the work is over \$4,000,000 and under \$4,250,000, a fee of \$160,000.

If the cost of the work is over \$4,250,000 and under \$4,775,000, a fee of 3½ per cent.

If the cost of the work is over \$4,775,000 and under \$5,175,000, a fee of \$179,062.50.

If the cost of the work is over \$5,175,000 and under \$5,725,000, a fee of 3 per cent.

If the cost of the work is over \$5,725,000 and under \$6,225,000, a fee of \$200,375.

If the cost of the work is over \$6,225,000 and under \$6,825,000, a fee of 3 per cent.

If the cost of the work is over \$6,825,000 and under \$7,400,000, a fee of \$221,812.50.

If the cost of the work is over \$7,400,000 and under \$7,750,000, a fee of 3 per cent.

If the cost of the work is over \$7,750,000 and under \$8,350,000, a fee of \$235,500.

If the cost of the work is over \$8,350,000 and under \$8,800,000, a fee of 2½ per cent.

If the cost of the work is over \$8,800,000 and under \$9,650,000, a fee of \$242,000.

If the cost of the work is over \$9,650,000 and under \$10,000,000, a fee of 2 per cent.

If the cost of the work is over \$10,000,000, a fee of \$250,000.

*Provided, however,* That the fee upon such part of the cost of the work as is represented by payments to subcontractors, under subdivision (b) of article 2 hereof, shall in each of the above contingencies be 2½ per cent and no more of the amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor, but for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof—not exceeding 7 per cent—as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \$60,000, anything in this agreement to the contrary notwithstanding.

ART. 4. *Payments.*—On or about the 7th day of each month the contracting officer and the contractor shall prepare a statement showing as completely as possible: (1) the cost of the work up to and including the last day of the previous month, (2) the cost of the materials furnished by the contracting officer up to and including such last day, and (3) an amount equal to 2½ per cent, except as herein otherwise provided, of the sum of (1) and (2) on account of the contractor's fee; and the contractor at such time shall deliver to the contracting officer original signed pay rolls for labor, original invoices for materials purchased, and all other original papers not theretofore delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into such statement upon which the contractor and the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor on or about the 8th day of each month the cost of the work mentioned in (1) and the fee mentioned in (3) of such statement, less all previous payments. When the statement above mentioned includes any work of reconstructing and replacing work destroyed

or-damaged, the payment on account of the fee in (3) for such reconstruction and replacement work shall be computed at such rate, not exceeding 2½ per cent, as the contracting officer may determine. The statement so made and all payments made thereon shall be final and binding upon both parties hereto, except as provided in article 14 hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates above mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee as determined under articles 2 and 3 hereof.

**ART. 5. *Inspection and audit.***—The contracting officer shall at all times be afforded proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda of every description of the contractor pertaining to said work; and the contractor shall preserve for a period of two years after its completion or cessation of work under this contract, all the books, records, and other papers just mentioned. Any duly authorized representative of the contractor shall be accorded the privilege of examining the books, records, and papers of the contracting officer relating to said work for the purpose of checking up and verifying the cost of said work. The system of accounting to be employed by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor, material, or other bills legitimately incurred by the contractor hereunder, are not promptly paid by the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such obligations past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer so to do, then the contracting officer shall have the right to pay such bills directly, in which event such direct payments shall not be included in the cost of the work.

**ART. 6. *Special requirements.***—The contractor hereby agrees that it will:

(a) Begin the work herein specified at the earliest time practicable, and diligently proceed so that such work may be completed at the earliest possible date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure and thereafter maintain such insurance in such forms and in such amounts and for such periods of time as the contracting officer may approve or require.

(d) Procure all necessary permits and licenses, and obey and abide by all laws, regulations, ordinances, and other rules applying to such work, of the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, insert in every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States; will make all such contracts in its own name, and will not bind or purport to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions hereof, require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to protect and subserve the interest of the contracting officer and the United States.

**ART. 7. *Right to terminate contract.***—Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with promptness and diligence, or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days written notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and rights, and may complete, or employ any other person or persons to complete said work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contrac-



tor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in article 4 hereof; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental, at the election of the contracting officer, for any equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of article 2, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 8. Abandonment of work by contracting officer.**—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments and unliquidated claims as the contractor may have theretofore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of article 3 hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

**ART. 9. Bond.**—The contractor shall, prior to commencing the said work, furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$60,000, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract, and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor.

**ART. 10. Convict labor.**—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

**ART. 11. Hours and conditions of labor.**—No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld for the use and benefit of the United States: *Provided*, That this paragraph shall not be en-

forced nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive Order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to either this contract or any class of contracts in which this contract shall be included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by other extraordinary events or conditions on account of which, by subsequent Executive Order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or other conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps which the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions.

**ART. 12. Right to transfer or sublet.**—Neither this contract, nor any interest therein, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer the contracting officer may refuse to carry out this contract either with the transferor or transferee, but all rights of action for any breach of this contract by the contractor are reserved to the United States.

**ART. 13. No participation in profits by Government officials.**—No Member of, or Delegate to, Congress, or Resident Commissioner, nor any other person belonging to or employed in the military service of the United States, is or shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract so far as it may be within the operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

**ART. 14. Settlement of disputes.**—This contract shall be interpreted as a whole and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider itself prejudiced by any decision of the contracting officer made under the provisions of article 4 hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, it shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

**ART. 15.** This contract shall bind and inure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successor in office, any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

HENRY ERICSSON Co.  
By HENRY ERICSSON, *President.*

Witnesses:  
GORDON H. FOX.  
CHARLES E. JOHNSON.

UNITED STATES OF AMERICA,  
By R. C. MARSHALL, JR.,  
*Lieutenant Colonel Quartermaster Corps, National Army,*  
*Contracting Officer.*

Witnesses:  
ROBERT P. STROUSE.  
H. L. FRANCISCO.

I certify that this is a true copy.

R. H. CASE,  
*Major, Quartermaster Corps.*

*Schedule of Rental Rates Per Day.*

The following ranges of rental rates are shown only as an indication of what may be allowed. Rentals will be fixed by contracting officer, who will take into consideration sizes, capacities, conditions, and fair market valuations of equipment. Rentals for equipment not shown on list following will be fixed as provided in last paragraph of section (c) of Article II hereof.

Automobiles.....	\$2.00-\$8.00
Adding and listing machines and typewriters.....	.25- .50
Buckets, tippie, bottom dump, orange peel, clam shell, etc.....	.50- 2.00
Boring machines, power driven.....	.20- .75
Back fillers, power driven.....	2.50-10.00
Block machines, concrete.....	
Bollers, upright and horizontal.....	1.50- 6.00
Cars, steel or wooden, contractors'.....	.40- 2.00
Crushers, stone.....	
Compressors.....	1.50- 8.00
Derricks, with or without power.....	.50-20.00
Dirt spreaders.....	2.00-15.00
Diving outfits, complete.....	
Engines, skeleton, with or without slewing gears.....	2.00- 5.00
Engines, traction.....	2.00-15.00
Hammers, riveting.....	
Instruments, engineering.....	.25- 1.00
Locomotives, narrow or standard gauge.....	5.00-25.00
Mixers, with or without power, equipped with loaders or not.....	1.00- 8.00
Motor cycles.....	.25- 1.00
Motors, electric.....	.25- 8.00
Pumps, with or without power.....	.50- 6.00
Pipe machines, with or without power.....	.50- 6.00
Pile drivers, drop, steam-hammer or jet, with or without power.....	.50-25.00
Plows, not car unloaders.....	.25- 1.00
Rail, per ton.....	
Rollers, horse or power.....	.50-15.00
Scrapers, slip or wheel.....	.25- 1.00
Saws, power.....	.25- 5.00
Steam shovels.....	10.00-30.00
Skips, steel or wooden.....	.10- 1.00
Trench diggers.....	10.00-30.00
Trucks, motor.....	1.00-25.00
Wagons.....	.25- 1.00

Fuel, lubricants, and labor not included in the above.

## SUBCONTRACT.

This contract, made and concluded this 14th day of March, 1918, by and between Henry Ericsson Co., of Chicago, a corporation organized under the laws of the State of Illinois (hereinafter called the contractor), and M. J. Corbey Co., a corporation, of Chicago, Ill. (hereinafter called the subcontractor), witnesseth:

Whereas the contractor has heretofore, to wit, on the 20th day of February, 1918, entered into a contract with the United States of America to construct for the Government of the United States additions to hospital at Camp Grant, Ill.; and

Whereas the parties hereto have agree that the subcontractor shall for and in the stead of the contractor fulfill and perform such part of said principal contract as is hereinafter set forth; and

Whereas the subcontractor has read and is familiar with each and every part of said contract, and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder:

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows:

The subcontractor shall in the shortest possible time furnish the labor, materials, tools, machinery, equipment, facilities, and supplies and do all things neces-

sary for the construction and completion of the following work: Such plumbing work required for additions to hospital as the contractor may in writing be directed to do.

In the performance of said contract the subcontractor binds himself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 20th day of February, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

It is expressly stipulated and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers, in every detail and respect and in the same language and intent, which the United States of America reserves to itself in the said principal contract; it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill every obligation to the United States of America according to the intent and provisions of said principal contract.

The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees, and to promptly pay all bills for labor, material, or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor will appear and defend same and hold the contractor clear of all loss, costs, or expense.

Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

The subcontractor shall be reimbursed by the contractor in the manner and for the items set out in article 2 of the principal contract hereinabove incorporated (except that no part of this contract may be sublet), for such of its actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included; provided, however, that the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included, if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if and when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$-----

The contractor may retain out of any money at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Grant, Ill., the day and date first above written.

HENRY ERICSSON CO.,  
By HENRY ERICSSON.

Witnesses:

JOHN F. MURTAUGH,  
F. H. SLOCOMBE.

M. J. CORBOY CO.,  
By JOHN H. CORBOY,  
*Secretary*

Witnesses:

JOHN F. MURTAUGH,  
GEO. T. GRUND.

#### CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting officer who entered into the contract of February 20, 1918, with the Henry Ericsson Co. to construct addition to hospital at or near Camp Grant, Ill., do hereby on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing subcontract between said Henry Ericsson Co. and M. J. Corboy Co., for the performance of the work therein specified.

Witness my signature at Camp Grant, Ill., this 4th day of April, 1918.

M. T. CHARLES,  
*Major, Quartermaster Corps, National Army.*  
*Assistant to Constructing Quartermaster.*

I certify that this is a true copy.

R. H. CASE,  
*Major, Quartermaster Corps*

NOTE.—This form of subcontract should be executed in quintuplicate and when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the supervising constructing quartermaster at Washington and the constructing quartermaster on the work, and one to the contract branch of the construction division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

#### SUBCONTRACT.

This contract, made and concluded this 14th day of March, 1918, by and between Henry Ericsson Co., of Chicago, a corporation organized under the laws of the State of Illinois (hereinafter called the contractor), and Kellogg Bros. Co., a corporation of Chicago, Ill. (hereinafter called the subcontractor) witnesseth:

Whereas the contractor has heretofore to wit, on the 20th day of February, 1918, entered into a contract with the United States of America to construct for the Government of the United States addition to hospital, steam-heating work at Camp Grant, Ill.: and

Whereas the parties hereto have agreed that the subcontractor shall, for and in the stead of the contractor, fulfill and perform such part of said principal contract as is hereinafter set forth: and

Whereas the subcontractor has read and is familiar with each and every part of said contract and the respective rights, powers, benefits, and liabilities of the contractor and the Government thereunder:

Now, therefore, this contract witnesseth: That in consideration of the premises and of the payments to be made as hereinafter provided, the subcontractor hereby covenants and agrees to and with the contractor as follows:

The subcontractor shall in the shortest possible time furnish the labor, materials, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the following work: Steam-heating work in additions to hospital.

In the performance of said contract the subcontractor binds himself to the contractor and to the United States of America to comply fully with all the undertakings and obligations of the contractor, excepting such as do not apply to such subcontractor's work, as are set forth in the principal contract made and entered into on the 20th day of February, 1918, by and between the contractor and the United States of America. Said principal contract is hereby adopted and made a part of this contract, and a copy thereof is hereto attached.

It is expressly stiputed and agreed that the contractor has and reserves to itself, and the subcontractor grants to said contractor, the same rights and powers in every detail and respect and in the same language and intent which the United States of America reserves to itself in the said principal contract; it being the intent and purpose of the parties hereto, except as herein otherwise provided, to place the contractor in the same position in regard to this contract which the United States of America occupies in the principal contract, and place the subcontractor in the same position in regard to this contract which the contractor occupies in said principal contract. The contractor shall in regard to this contract have all the rights and powers which the United States of America has in the principal contract, and the subcontractor assumes all the obligations placed upon the contractor by said principal contract and accepts and binds itself faithfully and fully to observe toward the contractor and the United States of America each and every term and provision thereof, so as to enable the contractor to fulfill every obligation to the United States of America according to the intent and provisions of said principal contract.

The subcontractor binds itself to protect and save harmless the contractor from any and all loss, cost, or damage to it on account of any damage or injury to third persons or property occasioned by any act, negligent or otherwise, of said subcontractor, its associates, servants, agents, or employees, and to promptly pay all bills for labor, material, or other service furnished to the subcontractor; and said subcontractor further agrees to keep all property, equipment, materials, tools, and supplies free of all liens or charges, and in the event of suit against the contractor on any account in connection with the work hereby included, the subcontractor upon notice from the contractor will appear and defend same and hold the contractor clear of all loss, costs, or expense.

Neither this contract nor any interest therein shall be assigned or transferred, except that the whole or any part of same is assignable to the United States of America.

The subcontractor shall be reimbursed by the contractor in the manner and for the items set out in article 2 of the principal contract, hereinabove incorporated (except that no part of this contract may be sublet), for such of actual expenditures in the performance of the work designated in article 1 hereof as may be approved or ratified by the contracting officer; and in addition thereto, as full compensation for the services of the subcontractor, including profit and all general or overhead expenses, the contractor shall pay to the subcontractor such sum as the contracting officer may approve and allow the contractor, according to the schedule of fees contained in the principal contract for a fee upon the work hereby included; provided, however, that the amount of fee to be paid by the contractor to the subcontractor shall be fixed according to the schedule contained in article 3 of the principal contract, hereto attached, and shall not exceed the fee which, under said schedule, would be allowed a contractor for the work hereby included, if said work had been done under a direct and separate contract. The provisions of the principal contract shall govern the manner and time of determining the amount to be paid to the subcontractor if any when the same shall have been determined, allowed, and actually paid by the contracting officer to the contractor, but the total fee to the subcontractor hereunder shall not exceed \$.....

The contractor may retain out of any moneys at any time due to the subcontractor a sum sufficient to pay all persons who have performed labor or furnished materials for the work included in this contract, and said sums may be retained until satisfactory evidence is furnished the contractor that all such claims have been fully satisfied.

In testimony of all which the parties have hereunto set their hands at Camp Grant, Ill., the day and date first above written.

HENRY ERICSSON Co.,  
By HENRY ERICSSON,

Witnesses:  
JOHN F. MURTAUGH.  
F. H. SLOCOMBE.

KEHM BROS. Co.,  
By AUGUST KEHM., *President.*

Witnesses:  
JOHN F. MURTAUGH.  
F. H. SLOCOMBE.

## CONTRACTING OFFICER'S APPROVAL.

The undersigned duly appointed and acting representative of the contracting office who entered into the contract of March 14, 1918, with Henry Ericsson Co. to construct additions to hospital at or near Camp Grant, Ill., does on behalf of said contracting officer and the United States of America hereby assent to and approve the foregoing subcontract between said Henry Ericsson Co. and Kehm Bros. Co. for the performance of the work therein specified.

Witness my signature at Camp Grant, Ill., this 20th day of March, 1918.

M. T. CHARLES,

*Captain Quartermaster Reserve Corps,  
Constructing Quartermaster.*

I certify that this is a true copy.

R. H. CASE,

*Major Quartermaster Corps.*

NOTE.—This form of subcontract should be executed in quintuplicate and when execution shall have been perfected, the five copies should be distributed as follows: One each to the contractor and subcontractor, one each to the Supervising Constructing Quartermaster at Washington and the constructing quartermaster on the work, and one to the Contract Branch of the Construction Division of the Army, Washington.

To the copy which is to be delivered to the subcontractor an extra copy of the general contract should be attached.

## ZBP 15.

Contract between utilities department, construction division, Camp Grant, and Anderson Bros., contractors.

## STEAM SHOVEL.

This agreement, made this 2d day of January, A. D. 1919, by and between the utilities department, construction division, Camp Grant, Ill., hereinafter sometimes designated "lessee," party of the first part, and the Anderson Bros. contractors, of Rockford, Ill., hereinafter sometimes designated "lessor," party of the second part, witnesseth:

Whereas the lessor is the owner of one steam shovel, the equipment consisting substantially of the following: Bucyrus No. 14-B steam shovel, complete, with floats, value, \$7,000; the location and availability for immediate use of the said outfit now at Camp Grant, Ill.; and

Whereas the lessee desires to obtain the use of the said steam shovel equipment:

Therefore, in consideration of the mutual undertakings hereof, it is hereby mutually agreed between the parties hereto as follows:

SECTION 1. The lessor agrees that he will furnish and lease, and he does hereby lease to the lessee for use in the loading of coal in said Camp Grant Cantonment, the said equipment; that said equipment shall be an absolutely complete unit in itself and in first-class repair and working order, fully ready for use when delivered; that said equipment is ready for immediate shipment to the lessee.

SEC. 2. It is understood and agreed that equipment is in a good state of repair; and if equipment arrives at said cantonment in bad order, or if, upon examination, the lessee or the Government's constructing quartermaster shall be fit to reject said equipment for any cause whatever, they shall have the right to do so; and no rental for the equipment so rejected shall be payable from the date of written notification to the lessor by the lessee of such rejection, provided that the lessee load up the rejected equipment with reasonable promptness for return to the lessor.

SEC. 3. The cost of all ordinary repairs and replacements during the use of the equipment upon the work of the lessee shall be paid by the lessee.

SEC. 4. While the operation of the said equipment is to be solely in the hands of the lessee, the lessor agrees to furnish, at the call and request of the lessee, operator and helpers necessary to the operation of said equipment on the work of the lessee; all of the employees so furnished by the lessor to be carried on the rolls of the lessee and to be paid by the lessee, and said lessee is to furnish



all fuel, oils, waste and supplies, etc., necessary to the operation of said equipment. The lessor will, therefore, not be interested in the rates and wages which the lessee pays said employees, except that it is understood that the lessee will pay \$6 per eight-hour day for operator and \$4 per eight-hour day for operator helpers; Sunday and overtime to be paid at one and one-half time, subject to construction quartermaster's approval.

SEC. 5. The lessee agrees that it will pay, and the lessor agrees to receive, as and for the lessor's compensation for the use of said equipment by the lessee a rental of \$300 per month (one month's rental being guaranteed, after which the rental is to be charged pro rata for each part of month thereafter) for outfit after it is delivered complete and ready for operation at said cantonment until the lessee is though with the same and has in writing notified the lessor that the lessee no longer requires the use of the respective equipment, and it is expressly agreed as follows, viz:

(1) That Sundays are to be, and to be taken to be, working and rental days when (but only when) the respective equipment is operated upon Sunday; (2) that while the lessee is to pay the cost of all ordinary repairs necessary while the equipment is in operation and necessary to the return of the equipment in as good condition as when received by the lessee, ordinary wear and tear and loss by fire or inevitable accident only excepted, the lessee paying the per diem rental above provided for, the lessee shall be, and be taken to be, entitled to have from the lessor, a complete equipment in first-class condition and repair and ready for successful operation; (3) compensation for the use of such equipment shall be paid on the 2d day of the month for the period from the 16th to the last day, inclusive, of the previous month, and on the 24th day of each month for the period from the 1st to the 15th days, inclusive, of the current month.

SEC. 6. Notwithstanding anything hereinbefore contained, it is expressly agreed that the lessee may at any time, according as it may see fit, release and return the equipment covered by this instrument of lease, and in that case the rental hereunder for the equipment or equipments shall cease immediately upon the delivery to the lessor by the lessee of written notice of the release.

SEC. 7. It is agreed that the lessor will take out and maintain for himself upon the property hereby leased such insurance as he may desire, and that the lessee shall not be responsible for injury to said property arising from ordinary wear and tear or from fire, inevitable accident, or any cause not within the control of the lessee.

In witness whereof, the parties hereto have hereunto set their names and seals the day and year first above written.

UTILITIES DEPARTMENT, CONSTRUCTION DIVISION, CAMP GRANT, ILL.,

*Lessee.*

By EDWARD G. PRATT, Major, Q. M. C., Officer in Charge of Utilities.

Witness:

JOHN RUCHMAN,  
Second Lieutenant, Q. M. C.

ANDERSON BROTHERS,  
Contractors, Lessor.

By HENRY ANDERSON.

Witness:

JOHN RUCHMAN,  
Second Lieutenant, Q. M. C.

This is a true copy:

L. B. PERKINS,  
Captain, Quartermaster Corps.

LBP 16.

CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND THE EGAN CONSTRUCTION CO.

This agreement, made this 26th day of December, A. D. 1918, by and between the United States of America, by Maj. E. G. Pratt, utilities department quartermaster, United States Army, Camp Grant, Ill., acting by authority of the Secretary of War, hereinafter sometimes designated "lessee," party of the first

part, and the Egan Construction Co. of Aurora, Ill., represented by J. M. Egan, jr., its president, a corporation under the laws of the State of Illinois, hereinafter sometimes designated "lessor," party of the second part, witnesseth:

Whereas the lessee, in the maintenance of Camp Grant, Ill., is required to load coal from the ground to wagons and trucks, and

Whereas the lessor is the owner of a steam shovel suitable for such coal handling or loading, better known as a Keystone Excavator, Model Three, shop number 234, value, \$5,000, the location and availability for immediate use of said equipment now at Camp Grant, Ill., and

Whereas the lessee desires to obtain the use of said equipment for the aforementioned coal handling or other uses to which the said equipment is adapted:

Therefore, in consideration of the mutual undertakings hereof, it is mutually agreed between the parties hereto as follows:

SECTION 1. The lessor agrees that he will furnish and lease, and he does hereby lease to the lessee, for the uses aforementioned, the said equipment; that such equipment shall be an absolutely complete unit in itself and in first-class repair and working order, fully ready for use when delivered.

SEC. 2. The cost of all ordinary repairs and replacements during the use of the equipment upon the work of the lessee shall be paid by the lessee. The proper care of the boiler on said equipment by the washing out thereof at least once every two weeks shall be deemed as ordinary repairs and the time used in making all necessary ordinary repairs shall be deemed as part of the rental period and shall be paid for as such by the lessee.

SEC. 3. The lessee agrees that it will pay, and the lessor agrees to receive, as for the lessor's compensation for the use of said equipment by the lessee a rental of \$15 per working day for the equipment after it is delivered complete and ready for operation at said Camp Grant until the lessee is through with the same and had in writing so notified the lessor that the lessee no longer requires the use of the said equipment. The said equipment having been delivered to the lessee at noon to-day, the compensation shall start at that time. All days are to be considered as working days with the exception of Sundays and holidays, which are to be, and to be taken to be, working and rental days when (but only when) the said equipment is operated on such days or used for making ordinary repairs as aforementioned.

While the lessee is to pay the cost of making all ordinary repairs necessary while the equipment is in operation and necessary to the return of the equipment in as good condition as when received by the lessee, ordinary wear and tear excepted, the lessee paying the per diem rental above provided for, the lessee shall be, and be taken to be, entitled to have from the lessor, a complete equipment in first-class condition and repair and ready for successful operation. Compensation for the use of said equipment shall be paid to the lessor on or about the 15 of each month for the use of the said equipment during the preceding calendar month.

SEC. 4. While the operation of the said equipment is to be solely in the hands of the lessee, the lessor agrees to assist in furnishing at the call and request of the lessee, an operator capable of operating said equipment on the work of the lessee, the operator so furnished to be carried on the pay rolls of the lessee and to be paid by the lessee. All other firemen, night watchmen, and other helpers necessary for the operation of the said equipment by the lessee are to be carried on the pay rolls of the lessee and paid by the lessee. Said lessee is to furnish all fuel, oils, water, waste, and other necessary supplies for the successful operation of the equipment and to pay for the same.

SEC. 5. Notwithstanding anything hereinbefore contained, it is expressly agreed that the lessee may at any time, according as it may see fit, release and return the said equipment covered by this instrument of lease, and in that case the rental hereunder for the equipment shall cease immediately upon the delivery to the lessor by the lessee of written notice of the release. It is further agreed that the lessee will also release the said equipment to the lessor upon written notice, two weeks in advance of the desired time, to the lessee by the lessor, that he so desires the said equipment to be released.

SEC. 6. When and if the total rental paid to the lessor by the lessee for said equipment shall equal the valuation thereof of \$5,000, no further rental thereof shall be paid to the lessor, and the title thereto shall vest in the United States. At the completion of the work, the quartermaster in charge may at his option purchase for the United States the said equipment then owned by

the lessor by paying to the lessor the difference between the valuation of said equipment as hereinbefore stated and the total rentals theretofore paid thereof.

In witness whereof, the parties hereto have hereunto set their names and seals the day and year first above written.

UNITED STATES OF AMERICA, *Lessee*,  
By EDWARD G. PRATT,  
*Major, Q. M. C.*

Witness:  
JOHN RUCHMAN,  
*Second Lieutenant, Q. M. C.*

EGAN CONSTRUCTION CO., *Lessor*,  
By J. M. EGAN, Jr., *President.*

Witness:  
JOHN RUCHMAN,  
*Second Lieutenant, Q. M. C.*

This is a true copy:

L. B. PERKINS,  
*Captain, Quartermaster Corps.*

Mr. McKENZIE. We also desire to offer two contracts made by Col. Warfield on the proposal and bid basis for emergency construction of barrack buildings, at Fort Leavenworth, in August, 1917, introduced and identified in the record as Exhibit 1-330A1 and Exhibit 1-330A2; and the following letter, stating the size of the buildings and the quality of lumber used in the construction, marked "ABW":

EXHIBIT 1-330A1.

Contract for construction and repair of public works, including vessels, between A. B. Warfield, major, Quartermaster Corps, United States Army, constructing quartermaster, and J. W. Wright, for construction of 30 cantonment buildings, at Fort Leavenworth, Kans., date of contract August 14, 1917; appropriation and amount barracks and quarters, \$31,289.50; work to be begun by August 15, 1917; work to be completed on or before November 15, 1917; sureties, United States Fidelity & Guaranty Co.; penalty of bond, \$15,663.25.

These articles of agreement, entered into this 14th day of August, 1917, between A. B. Warfield, major, Quartermaster Corps, United States Army, constructing quartermaster, for and in behalf of the United States of America, of the first part, and J. W. Wright, of Leavenworth, in the County of Leavenworth, and State of Kansas (hereinafter designated as contractor), of the second part, witness:

That the said parties do hereby mutually covenant and agree to and with each other—referring to any circular to bidders, drawings or plans, specifications, memoranda, catalogues, cuts, etc., attached or pertaining hereto, and which, so far as they are applicable, form a part of this contract—as follows:

1. That the contractor shall furnish the materials and services for the construction work below, at the place or places indicated therefor, commencing on or before the 14th day of August, 1917, carrying the work forward with reasonable dispatch and completing the same on or before November 15, 1917, all in the manner and at the rates or prices (unit prices or total sum, or both, and in accordance with article 6 hereof), as follows:

Ten barrack buildings.....	\$18, 821. 50
Ten mess halls and kitchens.....	10, 973. 50
Five bathhouses.....	748. 50
Five latrines.....	748. 00
Total.....	31, 289. 50

Suspension of eight-hour law as contained in clause 3 of contract, and substitution therefor of Executive order No. 2802544:

## EXECUTIVE ORDER.

Under authority contained in the naval appropriation act approved March 4, 1917 (Public No. 291, 64th Cong.), it is hereby ordered that the provisions of the eight-hour act of June 19, 1912, are suspended with respect to persons engaged upon work covered by contracts with the United States made under the War Department, for the construction of any military building or for any public work which in the judgment of the Secretary of War is important for purposes of national defense, in addition to the classes of contracts enumerated in Executive order of March 24, 1917.

It is further declared that the current status of war constitutes an "extraordinary emergency" within the meaning of that term as used in the eight-hour act of March 3, 1913 (37 Stat., 726), and that laborers and mechanics employed on work of the character as set forth above, whether employed by Government contracts or by agents of the Government, may, when regarded by the Secretary of War as necessary for national defense, be required to work in excess of eight hours per day, and wages to be computed in accordance with the proviso in the said act of March 4, 1917.

This order shall take effect from and after this date and shall be operative during the pending emergency or until further orders.

WOODROW WILSON.

The WHITE HOUSE,  
28 April, 1917.

2. That no laborer or mechanic employed by the contractor or any subcontractor on the work herein specified shall be required or permitted to work thereon more than eight hours in any one calendar day except in case of extraordinary emergency. (Act of Aug. 1, 1892, as amended by act of Mar. 3, 1913.)

3. That no laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work; and it is hereby stipulated that for each violation of this provision a penalty of \$5 shall be imposed for each laborer or mechanic for every calendar day in which he shall be required or permitted to labor for more than eight hours upon said work; and the amount of the penalties imposed according to this stipulation shall be withheld for the use and benefit of the United States from any moneys due or to become due under this contract, whether the violation of the provision is by the contractor or by any subcontractor: *Provided*, That no penalties shall be imposed for any violation of this provision due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by other extraordinary event or condition, on account of which the President shall subsequently declare the violation to have been excusable: *And provided further*, That the President, by Executive order, may waive the provisions and stipulations of this article of the contract during time of war, or a time when war is imminent. On all questions arising under this article the finding of the contracting officer, when approved by the Quartermaster General of the Army, shall be final, subject to an appeal to the Secretary of War within six months thereafter, and to the right of the contractor within six months after decision by the Secretary of War to file a claim in the Court of Claims, as authorized by the act of June 19, 1912.

4. That in the performance of this contract the said contractor shall not directly or indirectly, employ any person undergoing sentence of imprisonment at hard labor which may have been imposed by a court of any State, Territory, or municipality having criminal jurisdiction, nor permit such employment by any person furnishing labor or materials to such contractor in fulfillment of this contract.

5. That the contractor shall hold and save the United States, and all officers and agents thereof, harmless from and against all demands of any nature or kind for or on account of the use and continued use of any patented article, combination, or process which may apply to or affect the material delivered or work done under this contract.

6. That for and in consideration of the faithful performance of the stipulations of this contract the contractor shall be paid, at the office of the contract

ing officer, or by a disbursing officer designated to make the payments, the prices stipulated in this contract (art. 1) for the materials furnished and services performed; the total amount set forth in article 1 hereof to be subject, however, to such increase or decrease as may be found necessary under the stipulations of this agreement for the omission or addition of work at unit prices, and less the amount of penalties, if any, under article 3, or of any other proper charges. Payments shall be made at such times and in such amounts as the officer in charge of the work may elect, based upon estimates to be made by him of completed work. Upon the first 50 per cent of completed work 20 per cent of the amount of each account shall be retained until the final completion and acceptance by the Government of all the work under this contract: Provided, That on completion and acceptance of each separate building, vessel, or distinct public work hereunder for which the cost is stated separately, payment therefor may be made in full, including the retained percentages thereon, if so completed within the time stipulated.

7. That it is expressly agreed and understood that this contract shall be non-effective until an appropriation adequate to its fulfillment is granted by Congress and is available, except in so far as is necessary to provide for the necessities of the service as authorized by section 3732 of the Revised Statutes of the United States. However, in order to provide for the necessities of the service as authorized by section 3732 of the Revised Statutes of the United States, it is agreed that the services specified herein, so far as authorized by said section, shall be furnished and performed at the times and in the manner required under this contract, and payments therefor shall be made as soon as is practicable after funds are appropriated and are available.

8. That in case of the failure of said contractor to comply with the stipulations of this contract according to the true intent and meaning thereof (including the requirement for progress of performance to the satisfaction of the officer in charge, or higher authority), then the contracting officer, or his successor, shall have the right to complete the work in such manner as he shall deem best for the interests of the public service, either by day's labor and open-market purchase of the necessary materials, or by contract, or both, and to use for that purpose the contractor's materials and appliances on the reservation or at the place where the work is being performed, and any excess of cost resulting from such failure, including any charges on account of delay, shall be charged to the contractor. In event, however, of the granting of additional time for performance, the cost of inspection and other expenses and damages (including any loss or damage to the work under construction by fire or other causes) to the United States from and after the date originally fixed for completion until the work shall have been satisfactorily accomplished, except in so far as the same may arise from delays for which the United States is responsible, as determined in each of these particulars by the officer in charge, or higher authority, shall be charged to the contractor and may be deducted from any money due or to become due said contractor from the United States: Provided, That where additional time has been granted the United States shall also have the right to cause the remaining part of the contract, or any portion thereof, to be taken from the contractor whenever, in the opinion of the officer in charge, reasonable and satisfactory progress is not being made, and to secure completion at the expense of the contractor, including charges as above on account of delay.

9. That there shall be no transfer of this contract or of any interest therein by the contractor to any other party, and in case of the violation of this provision the United States, reserving all rights of action for any breach of this contract by the contractor, may refuse to carry out this contract with either the transferer or the transferee.

10. That no Member of or Delegate to Congress or Resident Commissioner, nor any person belonging to or employed in the military service of the United States is or shall be admitted to any share or part of this contract, or to any benefit which may arise herefrom, but under the provisions of section 116 of the act of Congress approved March 4, 1909 (35 Stat. L., 1109), this stipulation, so far as it relates to Members of or Delegates to Congress or Resident Commissioners, shall not extend or be construed to extend to any contract made with an incorporated company for its general benefit.

The erasure of the words "a corporation existing under the laws of the State of," line 11, and "Memoranda, catalogues, cuts," line 15, page 1, made before signing.

## WAR EXPENDITURES.

In witness whereof, the parties aforesaid have hereunto placed their hands the date first hereinbefore written.

A. B. WARFIELD,  
Major, Quartermaster Corps, United States Army.  
J. M. WRIGHT,  
Constructing Quartermaster.

Witness:  
W. J. MATHEWS.

UNITED STATES FIDELITY & GUARANTEE CO. [SEAL]  
E. R. SUYDAM, Attorney in Fact.

Witness:  
C. W. DOUGHERTY,

Witness:  
J. N. JOINYER,  
Attorney in Fact.

WAR DEPARTMENT,  
OFFICE OF THE QUARTERMASTER,  
Fort Leavenworth, Kans., September 29, 1917.

From: The Quartermaster.

To: Quartermaster General United States Army, Washington, D. C.

Subject: Bonds.

1. Herewith for file with contracts J. W. Wright and Tholen Bros., for cantonment construction, bonds in duplicate for each contract.

FRANKLIN T. BURT,  
Captain, Quartermaster Corps.

FORT LEAVENWORTH,  
September 22, 1917.

To FA-Con:

The contract herewith has been carefully examined and found correct as to prices, terms, time of performance, specifications, plans, etc., and its acceptance is recommended.

L. N. PINNEY,  
Acting Principal Clerk, Construction and Repair Division.

WAR DEPARTMENT,  
OFFICE OF THE QUARTERMASTER,  
Fort Leavenworth, Kans., September 13, 1917.

From: The Constructing Quartermaster.

To: Quartermaster General, United States Army.

Subject: Contracts for approval.

1. Herewith for approval, three numbers of contract with J. W. Wright, for construction, and three numbers of contract with Tholen Bros., for plumbing.

Ten barrack buildings.

Ten mess halls and kitchen.

Five bath houses.

Five latrines.

2. Bonds will forwarded as soon as received.

S. J. BOWEN,  
Captain, Quartermaster, U. S. A.

WAR DEPARTMENT,  
OFFICE OF THE QUARTERMASTER GENERAL OF THE ARMY,  
Washington, October 8, 1917.

From: Office, Quartermaster General.

To: Constructing Quartermaster, Fort Leavenworth, Kans.

Subject: Contract with J. W. Wright dated August 14, 1917.

F. Y. 1918.

1. Above-named contract is herewith returned for correction.

2. The plans referred to in preamble of contract should be forwarded to comply with paragraph 15 (D & N), Circular 9, O. C. Q. M. C., 1912.

3. The bond with United States Fidelity & Guaranty Co. referred to in brief of contract should be forwarded to comply with A. R. 569.

4. Two numbers only of this contract should be forwarded to this office to comply with Circular 9, O. C. Q. M. G., 1915.

5. It is noted that the surety company signs the contract.  
 6. Reply hereto to be made by indorsement hereon.  
 By authority of the Quartermaster General.

GEO. H. PENROSE,  
*Lieutenant Colonel, Quartermaster Corps.*

[First indorsement.]

OFFICE OF QUARTERMASTER,  
*Fort Leavenworth, Kans., October 11, 1917.*

**TO QUARTERMASTER GENERAL, Washington, D. C. Returned.**

1. Plans requested are inclosed.
2. Bonds were forwarded to Quartermaster General September 29, 1917.

FRANKLIN T. BURT,  
*Captain, Quartermaster Corps.*

**CONTRACTOR'S BOND (PUBLIC WORKS.)**

Know all men by these presents, that we, J. W. Wright, of Leavenworth, Kans., as principal, and United States Fidelity and Guaranty Co., a corporation existing under the laws of the State of Maryland, as surety, are held and bound unto the United States of America in the penal sum of \$15,663.25, to the payment of which sum well and truly to be made we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents:

The condition of this obligation is such, that whereas the above-bounden J. W. Wright has, on the 14th day of August, 1917, entered into a contract with the United States, represented by A. B. Warfield, major, constructing quartermaster, United States Army, for construction of 30 cantonment buildings at Fort Leavenworth, Kans.

Now, therefore, if the above-bounden J. W. Wright, his heirs, executors, or administrators, shall and will, in all respects, duly and fully observe and perform all and singular the covenants, conditions, and agreements in and by the said contract agreed and covenanted by said J. W. Wright, to be observed and performed according to the true intent and meaning of the said contract, and as well during any period of extension of said contract that may be granted on the part of the United States as during the original term of the same, and shall promptly make full payments to all persons supply him labor or materials in the prosecution of the work provided for in said contract, then the above obligation shall be void and of no effect; otherwise, to remain in full force and virtue.

In witness whereof the above-bounden principal and surety have executed this instrument under their several seals this 14th day of August, 1917, the name and corporate seal of said surety being hereto affixed and these presents duly signed by its vice president and assistant secretary, pursuant to a resolution of its board of directors, passed on the 9th day of December, 1901, a copy of the record of which is on file in the War Department.

J. W. WRIGHT.

In presence of—

C. W. DOUGHERTY.

UNITED STATES FIDELITY & GUARANTY Co.,  
 By LILLIA H. CAREY, *Vice President.*

Attest:

J. A. RICHARDSON,  
*Assistant Secretary.*

**CIRCULAR—PROPOSAL.**

**ADVERTISEMENT.**

OFFICE OF THE QUARTERMASTER,  
*Fort Leavenworth, Kans., July 30, 1917.*

Sealed proposals, in duplicate, subject to the usual conditions, will be received at this office until the time specified below, at which time and place they will be opened in the presence of bidders who attend, for the supplies or services specified below, the Government reserving the right to reject or accept any or all bids or any part thereof.



Bidders for supplies must state the time when and the place where they propose to make deliveries. Bids are invited for delivery as indicated below, but proposals for delivery at other points will be entertained. Bidders for services of any nature must state the date they will begin work and the date they will complete the same.

Proposals for any class of stores mentioned, or for quantities less than the whole required, will be received, and the quantities may be increased or decreased to an extent not exceeding 20 per cent should the interest of the public service demand such change.

Preference will be given to articles of domestic production or manufacture, conditions of quality and price (including in the price of foreign productions and manufacturers the duty thereon) being equal, and such preference will be given to articles of American production and manufacture produced on the Pacific coast to the extent of consumption required by the public service there.

Proposals will be signed by the bidder, inclosed in sealed envelopes, postpaid, and addressed to the undersigned, marked: "Proposals for plumbing cantonment buildings, to be opened 11 a. m., August 6, 1917."

A. E. WARFIELD.

*Major, Quartermaster Corps, United States Army, Quartermaster.*

PROPOSAL.

(Place) \_\_\_\_\_

(Include street address.)

(Date) \_\_\_\_\_

In accordance with the above advertisement, the undersigned proposes to furnish and deliver the supplies, or perform the services as stipulated below, at the prices and within the time specified.

\_\_\_\_\_  
(Signature of bidder.)

SCHEDULE OF SUPPLIES OR SERVICES TO BE FURNISHED AT FORT LEAVENWORTH, KANS.

Furnish all labor and material necessary or required and install plumbing in the following cantonment buildings at Fort Leavenworth, Kans., as required by plans and specifications of Quartermaster General's Office, and which are made a part of this proposal, viz: Barrack buildings, 10; mess halls, 10; kitchens, 10; bathhouses, 5; latrines, 5.

Location of buildings, plans, and specifications can be obtained at the office of the constructing quartermaster, Fort Leavenworth, Kans.

Prospective bidders can obtain the plans and specifications by making a deposit of \$5 with the quartermaster, which will be held until plans and specifications are returned.

Contractors will be required to lay out their own work and furnish to that they will enter into contract within 10 days after being awarded the contract.

Bidders to state time they will commence work ——— and time they will complete same ———.

Time for completion will be taken into consideration on making award.

INSTRUCTIONS.

1. This form may be used in cases where various forms of circular-proposals have been used heretofore, as in inviting proposals for (except construction and repair) class A supplies, class A-1 supplies, and other supplies when the delivery or performance is to immediately follow the award, and no guaranty or proposals is considered necessary. In such cases a formal contract may not be made, according to the provisions of Cir. 7, O. Q. M. G., 1915, at the judgment of the purchasing officer.

2. However, under the terms of the law cited in paragraph 1 of said Cir. 7 proposals invited on this form and accepted by letter constitute valid contracts if within the limits fixed in the law and the restrictions of said circular.

3. In inviting bids for subsistence stores, notation should be made on the face of the form that the conditions of "Q. M. C. Form No. 120 will govern" and the

serial numbers of the items for which bids are invited should be stated in the column headed "Description."

4. Any special conditions, specifications, terms of delivery, or performance should be shown on the face of the form when it is sent out as an advertisement.

5. The time and place of opening, name and title of officer, place for delivery, list of articles or services advertised for, etc., should be inserted in the form (preferably by the typewriter, or multigraph, or mimeograph) before it is sent out as an advertisement.

6. If additional space is required for lists and descriptions of articles or services, an additional sheet or sheets (Q. M. C. Form No. 119b) should be attached.

7. The items should be so arranged as to permit the insertion opposite each, by bidders, of the price at which and the number of days within which the same will be furnished.

8. When issued as an advertisement, after being prepared as directed, this form will be sent to prospective bidders, posted in public places, and distributed among dealers in the class of supplies or services required.

9. Proposals received in response to the invitation therefor will be opened (in the presence of the bidders who avail themselves of the privilege of attending), at the time appointed therefor, abstracted and awards made to the lowest responsible bidders for the best and most suitable supplies or services. Contracts will be made, or will not be made, as provided by Clr. 7, above, and considered advisable by the purchasing officer. When formal contracts are made, the successful bidders will be informed of the awards to them and that contracts will be prepared for execution as soon as practicable.

10. When formal contracts are not made, letters of acceptance will be issued on form No. 119a, specifying the articles, quantities, description, time of delivery, place of delivery, prices, etc., and giving directions for delivery, the proper marking of supplies, or for the proper performance of the services.

11. When formal contracts are not made, a copy of the proposals, etc., will not be sent to the returns office; likewise, none in such cases need be forwarded to the quartermaster general, except when specially directed to do so.

12. In all cases, however, when a formal contract is not made, a copy of the advertisement, one number of the accepted proposal and a copy of the letter of acceptance will be filed with the first voucher upon which a payment thereunder is made, together with certificate as to whether award is made to lowest bidder, as required by Clr. 7, above.

13. The purchasing officer will, when formal contracts are not made, retain one number of each proposal and a copy of each letter of acceptance.

#### SPECIFICATIONS OF THE MATERIAL AND WORKMANSHIP REQUIRED IN THE CONSTRUCTION AND PLUMBING OF CANTONMENT BUILDINGS AT FORT LEAVENWORTH, KANS.

##### GENERAL CONDITIONS.

1. The work is to be executed in the best and most workmanlike manner, according to plans and specifications, under the direction and to the entire satisfaction of the United States officer in charge and in conformity with his instructions.

2. The contractor shall give his personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the officer in charge, on the job at all times during the progress of the work, with authority to act for him.

3. The contractor shall furnish all materials, labor, etc., necessary to complete the work according to the true intent and meaning of the drawings and specifications, of which intent and meaning the officer in charge shall be the interpreter. Except where otherwise specified, no local terms or classification will be considered in the interpretation of these specifications.

4. The location and grade of building will be indicated by the officer in charge, and the site shall be cleared by the contractor for the reception of the structure, and should be examined by intending bidders. All necessary grading must be included in the contract.

5. It is intended that the drawings and specifications shall include everything requisite and necessary to the proper and entire finishing of the building, notwithstanding every item necessarily involved by the work is not par-

ticularly mentioned. All work when finished is to be delivered up in perfect and undamaged state.

6. Where no figures or memoranda are given the drawings shall be accurately followed according to scale. In any case of discrepancy in the figures or drawings the matter will be immediately submitted to the officer in charge, without whose decision and discrepancy shall not be adjusted by the contractor, save only at his own risk, and in the settlement of any complications arising from such adjustment by contractor the latter will bear all extra expense involved. In cases of difference between drawings and specifications the requirements of the specifications shall govern. Where detail drawings are furnished they will govern in as far as regards methods of construction not described or made clear by specifications. All drawings on a scale of three-quarters of an inch to 1 foot or larger will be considered detail drawings.

7. The drawings and these specifications will be considered as cooperative, and work or material called for by one and not mentioned in the other is to be done or furnished in as faithful and thorough a manner as though fully treated by both.

8. The contractor must lay out his own work, and will be responsible for measurements; he must exercise proper caution and care to verify the figures before laying out the work, and will be responsible for any errors therein that otherwise might have been avoided. He shall promptly inform the officer in charge of any errors or discrepancies he may discover in the plans and specifications in order that the proper correction may be made and understood.

9. The officer in charge may require the contractor to dismiss such workmen as he deems incompetent or careless, and is to have at all time access to the work, which is to be entirely under his control.

10. The contractor shall be held responsible for all damages to the building whether from fire, high winds, or other causes during the prosecution of the work and until the same is finally accepted, even though partial payment may have been made for the completed work or material. He shall be held responsible for all damages that may occur to persons, animals, or vehicles from want of proper lighting, watching, boarding, or inclosing, or any accident arising from defective scaffolding or any negligence on the part of himself or employees.

11. All work and material of every description shall be properly protected from damage from any source, both before and after being used in construction. The top of all walls must be covered for their protection before leaving of work, and if at any time during construction any part is liable to damage by weather such protection as the officer in charge may deem necessary shall be provided without additional charge to the Government.

12. Smoking will not be permitted in the building. The contractor shall provide the men with spittoons, which shall be kept filled with clean sand.

13. The work must be carried on systematically, and it is to be so managed at all times by the contractor as to insure rapid progress and avoid annoyance and inconvenience.

14. The contractor is to clean away, whenever directed by the officer in charge, the dirt and rubbish resulting from his operations, and remove all rubbish at completion of building; he or his employees must not deface or damage the building, and the whole is to be delivered over clean and in perfect condition.

15. *Quality of materials.*—Except it be otherwise specified, all materials are to be of the best quality of their respective kinds. When two or more varieties of material is specified for any purpose it shall be optional with the contractor which is used, but in any one building the same material shall be used for that particular purpose. In all cases where the article is mentioned in these specifications in connection with the words "best quality," "approved quality," or "equal to," the officer in charge shall decide what is the best and most suitable to use.

16. *Samples.*—When required by the officer in charge, the contractor will furnish him in advance with samples of the material he proposes to use on the building, and samples so furnished must, after having been approved, be adhered to. Samples of cement, lime, plaster, and similar materials will be taken from materials delivered on the grounds for use, and such materials must be delivered at least 10 days before required for use. The contractor will be held

responsible for all delays caused by rejection by the officer in charge of material of any kind which is found unfit for use or does not conform to samples furnished.

17. *Details.*—Additional detail drawings will be furnished, if required, of such portions of the work as the officer in charge may desire to explain more fully, and any work not constructed in accordance with such details furnished must be taken down and replaced with other work in accordance with them at the contractor's expense, if so directed by the officer in charge.

18. *Ownership of drawings.*—All drawings, specifications, and memoranda relating to the work are the property of the United States, and are to be used carefully and returned to the officer in charge at completion or cessation from any cause of the work.

19. *Assistance.*—The contractor shall render assistance to the other mechanics in every way in which his special work can be of service, and such assistance must be given promptly and thoroughly, without additional charge. He and his employees must work in harmony with other contractors on the grounds and in such order as may be required by the officer in charge.

20. *Inspection and acceptance of work.*—The contractor must understand that the material delivered and the work performed by him at any and all times during the progress of the work, and prior to the final acceptance of and payment for the same, shall be subject to the inspection of the officer in charge, or other authorized agents of the Government, with the full right to accept or reject any part thereof; and that he must, at his own expense, within a reasonable time remedy any defective or unsatisfactory materials or work, and that in the event of his failure to do so, after notice, the officer in charge shall have the full right to have the same done and to deduct the cost thereof from any money due the contractor. All condemned materials must be at once removed from the reservation.

21. *Extras.*—No charge for extra work will be allowed unless the same has been ordered by the officer in charge, the price stated in the order, and accepted by the contractor.

22. *Water.*—The contractor must make his own arrangements for procuring water required for his employees and in carrying on the work under his contract. If there is a water-supply plant at hand which is owned and operated by the Government, water therefrom will be furnished at its cost to the Government, and in like manner, if there is a water-distributing system at hand owned by the Government but the water is obtained by purchase. In either case the expense of making connections between the established line of the water system and conveying the water therefrom to the place or places where it is required by the contractor must be borne by him. The quantity of water furnished to contractor by the Government may be determined by the officer in charge, either by meter measurement or otherwise. If a meter be required it will be furnished by the contractor. The point or points where connection with the established water system can be made will be made by the quartermaster in charge.

23. *Employment of convict labor.*—In the performance of work herein specified the contractor shall not, directly or indirectly, employ any person undergoing sentence of imprisonment at hard labor which may have been imposed by court of any State, Territory, or municipality having permanent jurisdiction, nor permit such employment by any person furnishing labor or material to said contractor in fulfillment of this agreement.

24. *Sanitation.*—The contractor shall provide and maintain necessary sanitary conveniences for the use of those employed on or about the work, properly secluded from public observation, in such a manner and at such points as shall be approved by the officer in charge, and their use shall be strictly enforced. The collections in same shall be removed or destroyed when and where, in the opinion of the officer in charge, it is advisable. The contractor shall provide sufficient drinking water to all of his employees, but only from such sources as are approved by the officer in charge. The contractor must obey and enforce all sanitary and healthful requirements of the post surgeon.

25. *Patents.*—The contractor shall for all time secure to the Government the free and undisputed rights to the use of any and all patent articles used in the work, and shall defend, at his expense, any and all suits for infringement or alleged infringement of any such patent or patents, and in the event of adverse claims under patent the contractor shall pay all such awards.

## PLUMBING.

**Water connections.**—Connection will be made to the 8-inch water main along Grant Avenue. Provide and install in this main an 8-inch by 4-inch cast-iron T, reduced on branch to 3 inches; close to this branch and as may be directed: install a 3-inch heavy Eddy gate valve from body, with a heavy cast-iron curb box. Continue from this valve with 3-inch galvanized-iron pipe (about 350 feet) to a point designated by the officer in charge. At this point branch off with two 2-inch Eddy gate valves and curb boxes to shut off one-half of system. Continue along line of buildings, about 900 feet in all, with 2-inch galvanized-iron standard pipe, installing necessary branches for each building where plumbing is indicated. Provide a 1-inch supply for each bathroom, reducing to  $\frac{3}{4}$  inch above floor. On each branch provide a stop and waste cock of approved pattern; this is to have a curb box. Provide each kitchen with a  $\frac{3}{4}$ -inch service pipe, with a  $\frac{3}{4}$ -inch stop and waste cock and curb box for control. Provide for each latrine building a 1-inch service, with stop and waste cock and curb box. All water pipe is to be three or more feet underground and to grade to lower end of ground for proper drainage. Install two  $\frac{3}{4}$ -inch McNamar yard hydrants, one for each barracks where directed: provide each with a separate stop and waste cock and curb box.

**Bathhouses.**—Each bathhouse to have 10 shower heads,  $\frac{3}{4}$  inch, Government specifications, supplied by  $\frac{3}{4}$ -inch galvanized-iron standard pipe. Provide  $\frac{3}{4}$ -inch heavy compression stop cocks with stuffing boxes, plain brass, and installed as shown on plan. Provide and install five 2-inch floor traps, one for every two showers, traps to be as called for in Government specifications. The waste to a main, 4-inch extra heavy cast-iron soil pipe with four 2-inch branches. Vent to extend full size through the roof. The main line to be underground: to prevent wastage from freezing. Traps in floor and water-pipe risers to also be protected by some approved method from frost. A  $\frac{3}{4}$ -inch tee to be installed above floor for future use.

**Kitchens.**—Each kitchen to have two galvanized-iron, pressed-steel sinks, 20 inches by 40 inches, with backs and roll rim; to be connected with  $\frac{1}{2}$ -inch cast-iron, one-piece trap. Provide each sink with two  $\frac{3}{4}$ -inch compression bibbs, with stuffing boxes, and two separate compression stop cocks to control the two sinks, all inside building. A  $\frac{3}{4}$ -inch tee to be installed where directed to supply range boiler when supplied. (Range boiler to be a separate contract and not included in this one.) The waste for sinks to be 2-inch cast-iron extra-heavy soil pipe, with a short piece of wrought iron to connect up trap. The 2-inch pipe to have 2-inch iron body clean outs, with brass screw, at each turn, and installed where directed. Vent to continue full size through roof. Water pipe under floor to be protected from frost.

**Latrines (closets).**—Each latrine to have 14 water-closets (Crane low-down pattern, with wood tanks). To be supplied with  $\frac{3}{4}$ -inch galvanized-iron pipe and a separate stop cock to each tank; waste to be 5-inch extra-heavy cast-iron soil pipe and to have 4-inch branches for each closet and 4-inch vent. Main pipe to be underground to prevent freezing. Continue vent through roof 4 inches. Clean outs to be installed where directed.

**Urinals.**—There will be two urinals in each latrine, each 6 feet long by 4 inches in diameter, made as shown in plan, of No. 26 galvanized sheet iron, each connected with sewer with a  $\frac{1}{2}$ -inch cast-iron trap; also supply each with a  $\frac{3}{4}$ -inch compression bib or flushing.

**Sewer.**—The sewer work to consist of doing everything necessary to install and connect with the main post sewer. There will be about 2,600 feet of sewer pipe—1,500 feet of 10-inch, 600 feet of 8-inch, and 500 feet of 6-inch—all of hard-fired salt-glazed tile pipe, laid in cement mortar, true to grade and as directed. There will also be three brick manholes, one at upper end of the 6-inch pipe, one each at junction of 6-inch and 8-inch pipe, and 8-inch and 10-inch pipe, all as shown on location plan. Manholes to be built of hard building brick laid in cement mortar, similar to manholes now installed in post sewer, each provided with cast-iron cover as shown in J. B. Clow catalogue A-1655, page 68. Provide separate 6-inch Y branches for each building, also easy bends where directed. Wherever the word "mortar" is used it shall consist of Portland cement of some well-known brand and sharp, clean sand, mixed in proportion of 1 part cement to 3 parts of sand, and mixed not more than 30 minutes before using.

[Memorandum.]

WAR DEPARTMENT,  
OFFICE OF THE CONSTRUCTION DIVISION OF THE ARMY.  
*Washington, D. C., June 13, 1918.*

From: Construction Division, War Department.  
To: The Contract Supervision Branch (Attention Lieut. B. B. Downs).  
Subject: Supplemental agreement with J. W. Wright.

1. Plans requested in memorandum of May 11, inclosed herewith.

D. S. CLINTON,  
*Major, Engineer Reserve Corps.*

WAR DEPARTMENT,  
OFFICE OF CONSTRUCTION DIVISION,  
*Washington, June 1, 1918.*

From: Construction Division.  
To: Quartermaster, Fort Leavenworth.  
Subject: Supplemental agreement with J. W. Wright.

1. Supplemental agreement for modification of contract with J. W. Wright returned herewith, with request that plans be forwarded this office.

By authority of the Secretary of War:

R. C. MARSHALL, Jr.,  
*Colonel, Quartermaster Corps, National Army,*  
*In Charge of Construction Division.*  
By D. S. CLINTON,  
*Major, Engineer Reserve Corps.*

[First indorsement.]

FORT LEAVENWORTH, KANS., *June 6, 1918.*

To CONSTRUCTING QUARTERMASTER, *Fort Leavenworth, Kans.:*

1. Request that plans be furnished as directed.

D. H. CLARK,  
*Major, United States Army (Retired), Quartermaster.*

[Second indorsement.]

CONSTRUCTING QUARTERMASTER,  
FORT LEAVENWORTH, KANS., *June 7, 1918.*

To POST QUARTERMASTER, *Fort Leavenworth, Kans.:*

Returned.

1. Plans in duplicate inclosed herewith.

W. J. MATHEWS,  
*Captain, Q. M. R. C. Constructing Quartermaster.*

[Third indorsement.]

FORT LEAVENWORTH, KANS., *June 7, 1918.*

To OFFICER IN CHARGE OF CONSTRUCTION DIVISION, *Washington, D. C.:*

Returned.

1. Attention invited to second indorsement hereon.

D. H. CLARK,  
*Major, U. S. A., Retired, Quartermaster.*

OCTOBER 9, 1917.

From: J. W. Wright.

To: Capt. Franklin T. Burt, Quartermaster Corps, U. S. A.

Supplemental agreement for modification of contract dated August 14, 1917, for construction of cantonment buildings at Fort Leavenworth, Kans.

To F. A.—Con: The contract herewith has been carefully examined and found correct as to prices, terms, time of performance, specifications, plans, etc., and its acceptance is recommended.

EVAN SHELBY,  
*Colonel, Quartermaster Corps, National Army.*

## SUPPLEMENTAL AGREEMENT FOR MODIFICATION OF CONTRACT.

Between Franklin T. Burt, captain, Quartermaster Corps, United States Army, and J. W. Wright, modifying contract dated August 14, 1917, for construction cantonment buildings at Fort Leavenworth, Kans. Appropriation barracks and quarters, 1917-18. Dated supplemental contract October 9, 1917. Amount of increase, \$4,044.60.

Whereas, on August 14, 1917, a contract was entered into between the United States, represented by A. B. Warfield, major, Quartermaster Corps, States Army, constructing quartermaster, and J. W. Wright (hereinafter designated as contractor), for construction of 30 cantonment buildings at Fort Leavenworth, Kans.

And whereas, it is found advantageous and in the best interests of the service of the United States to modify the provisions of said contract, as specified below:

Now, therefore, it is hereby agreed that the provisions of said contract shall be changed in the following particulars, and in these respects only, and in consideration thereof the contractor shall receive four thousand forty-four and 60/100 dollars more than stipulated in said original contract, viz: For the furnishing of material and labor in the construction of bathhouses and latrines, and changing ventilating system, as per plans herewith, and which are made a part of this supplemental agreement.

Specifications are on file with the original contract.

Witness our hands this ninth day of October, 1917.

FRANKLIN T. BURT,  
*Captain, Quartermaster Corps, United States Army.*

Witnesses:

J. W. WRIGHT.

C. W. DOUGHERTY.

J. JUNGER.

The undersigned sureties to the bond pertaining to the above-described original contract assent to the foregoing modification thereof and hereby stipulate that said bond shall be construed to apply accordingly.

Witness our hands and seals this ninth day of October, 1917.

[SEAL.]

UNITED STATES FIDELITY & GUARANTY Co.,  
By E. K. SUTHAM, *Attorney in Fact.*

J. JUNGER, *Attorney in Fact.*

## EXHIBIT 1-330A2.

Contract for construction and repair of public works, including vessels between A. B. Warfield, major, Quartermaster Corps, United States Army, constructing quartermaster, and W. A. Tholen and W. W. Tholen, composing the firm of Tholen Bros., for plumbing 30 cantonment buildings at Fort Leavenworth, Kans. Date of contract, August 14, 1917. Appropriation and amount SS&T, \$8,211. Work to be begun as soon as general contract will admit. Work to be completed on or before November 15, 1917. Sureties, the ~~Etna~~ Casualty & Surety Co. Penalty of Bond, \$4,105.50.

These articles of agreement entered into this 14th day of August, 1917, between A. B. Warfield, major, Quartermaster Corps, United States Army, constructing quartermaster, for and in behalf of the United States of America of the first part and W. A. Tholen and W. W. Tholen, composing the firm of Tholen Bros., of Leavenworth, Kans., in the county of Leavenworth and State of Kansas (hereinafter designated as contractor), of the second part, witness:

That the said parties do hereby mutually covenant and agree to and with each other—referring to any circular to bidders, drawings, or plans, specifications, etc., attached or pertaining hereto, and which, so far as they are applicable, form a part of this contract, as follows:

1. That the contractor shall furnish the materials and services for the construction work specified below at the place or places indicated therefor commencing as soon as general contract will admit, carrying the work forward with reasonable dispatch and completing the same on or before November 15, 1917. General contract entered into with J. W. Wright, of Leavenworth, Kans., for construction dated August 14, 1917, all in the manner and at the rates or prices (unit prices or total sum, or both, and in accordance with article 6 hereof), as follows: For all plumbing work in and for 30 cantonment buildings



at Fort Leavenworth, Kans., as follows: Ten barrack buildings, 10 mess halls and kitchens, 5 bathhouses, 5 latrines. For the total sum of \$8,211.

Suspension of eight-hour law as contained in clause 3 of contract and substitution therefore of Executive Order No. 2602544:

#### EXECUTIVE ORDER.

Under authority contained in the naval appropriation act approved March 4, 1917 (Public, No. 391, 64th Cong.), it is hereby ordered that the provisions of the eight-hour act of June 19, 1912, are suspended with respect to persons engaged upon work covered by contracts with the United States made under the War Department for the construction of any military building or for any public work which in the judgment of the Secretary of War is important for purposes of national defense in additions to the classes of contracts enumerated in Executive order of March 24, 1917.

It is further declared that the current status of war constitutes an "extraordinary emergency" within the meaning of that term as used in the eight-hour act of March 3, 1913 (37 Stat., 726), and that laborers and mechanics employed on work of the character as set forth above, whether employed by Government contracts or by agents of the Government, may, when regarded by the Secretary of War as necessary for national defense, be required to work in excess of eight hours per day, and wages to be computed in accordance with the proviso in the said act of March 4, 1917.

This order shall take effect from and after this date and shall be operative during the pending emergency or until further orders.

WOODBOW WILSON.

THE WHITE HOUSE, 28 April, 1917.

2. That no laborer or mechanic employed by the contractor or any subcontractor on the work herein specified shall be required or permitted to work thereon more than eight hours in any one calendar day except in case of extraordinary emergency. (Act of Aug. 1, 1892, as amended by act of Mar. 3, 1913.)

3. That no laborer or mechanic doing any part of the work contemplated by this contract in the employ of the contractor or any subcontractor contracting for any part of said work contemplated shall be required or permitted to work more than eight hours in any one calendar day upon such work, and it is hereby stipulated that for each violation of this provision a penalty of \$5 shall be imposed for each laborer or mechanic for every calendar day in which he shall be required or permitted to labor for more than eight hours upon said work, and the amount of the penalties imposed according to this stipulation shall be withheld for the use and benefit of the United States from any moneys due or to become due under this contract whether the violation of the provision is by the contractor or by any subcontractor: *Provided*, That no penalties shall be imposed for any violation of this provision due to any extraordinary events or conditions of manufacture or to any emergency caused by fire, famine, or flood, by danger to life or property, or by other extraordinary event or condition on account of which the President shall subsequently declare the violation to have been excusable: *And provided further*, That the President, by Executive order, may waive the provisions and stipulations of this article of the contract during time of war or a time when war is imminent. On all questions arising under this article the finding of the contracting officer, when approved by the Quartermaster General of the Army, shall be final, subject to an appeal to the Secretary of War within six months thereafter, and to the right of the contractor within six months after decision by the Secretary of War to file a claim in the Court of Claims, as authorized by the act of June 19, 1912.

4. That in the performance of this contract the said contractor shall not, directly or indirectly, employ any person undergoing sentence of imprisonment at hard labor which may have been imposed by a court of any State, Territory, or municipality having criminal jurisdiction; nor permit such employment by any person furnishing labor or materials to such contractor in fulfillment of this contract.

5. That the contractor shall hold and save the United States, and all officers and agents thereof, harmless from and against all demands of any nature or kind for or on account of the use and continued use of any patented article, combination, or process which may apply to or affect the material delivered or work done under this contract.

6. That for and in consideration of the faithful performance of the stipulations of this contract the contractor shall be paid, at the office of the contracting officer, or by a disbursing officer designated to make the payments, the prices stipulated in this contract (art. 1) for the materials furnished and services performed; the total amount set forth in article 1 hereof to be subject, however, to such increase or decrease as may be found necessary under the stipulations of this agreement for the omission or addition of work at unit prices, and less the amount of penalties, if any, under article 3, or of any other proper charges. Payments shall be made at such times and in such amounts as the officer in charge of the work may elect, based upon estimates to be made by him of completed work. Upon the first 50 per cent of completed work 20 per cent of the amount of each account shall be retained until the final completion and acceptance by the Government of all the work under this contract: *Provided*, That on completion and acceptance of each separate building, vessel, or distinct public work hereunder for which the cost is stated separately, payment therefor may be made in full, including the retained percentages thereon, if so completed within the time stipulated.

7. That it is expressly agreed and understood that this contract shall be noneffective until an appropriation adequate to its fulfillment is granted by Congress and is available, except in so far as is necessary to provide for the necessities of the service as authorized by section 3732 of the Revised Statutes of the United States. However, in order to provide for the necessities of the service as authorized by section 3732 of the Revised Statutes of the United States, it is agreed that the services specified herein, so far as authorized by said section, shall be furnished and performed at the times and in the manner required under this contract, and payments therefor shall be made as soon as is practicable after funds are appropriated and are available.

8. That in case of the failure of said contractor to comply with the stipulations of this contract according to the true intent and meaning thereof (including the requirement for progress of performance to the satisfaction of the officer in charge, or higher authority), then the contracting officer, or his successor, shall have the right to complete the work in such manner as he shall deem best for the interests of the public service, either by day's labor and open market purchase of the necessary materials, or by contract, or both, and to use for that purpose the contractor's materials and appliances on the reservation or at the place where the work is being performed, and any excess of cost resulting from such failure, including any charges on account of delay, shall be charged to the contractor. In event, however, of the granting of additional time for performance, the cost of inspection and other expenses and damages (including any loss or damage to the work under construction by fire or other causes) to the United States from and after the date originally fixed for completion until the work shall have been satisfactorily accomplished, except in so far as the same may arise from delays for which the United States is responsible, as determined in each of these particulars by the officer in charge, or higher authority, shall be charged to the contractor and may be deducted from any money due or to become due said contractor from the United States: *Provided*, That where additional time has been granted the United States shall also have the right to cause the remaining part of the contract, or any portion thereof, to be taken from the contractor whenever, in the opinion of the officer in charge, reasonable and satisfactory progress is not being made, and to secure completion at the expense of the contractor, including charges as above on account of delay.

9. That there shall be no transfer of this contract or of any interest therein by the contractor to any other party, and in case of the violation of this provision the United States, reserving all rights of action for any breach of this contract by the contractor, may refuse to carry out this contract with either the transferer or the transferee.

10. That no Member of or Delegate to Congress, or Resident Commissioner, nor any person belonging to or employed in the military service of the United States, is, or shall be, admitted to any share or part of this contract, or to any benefit which may arise herefrom, but, under the provisions of section 116 of the act of Congress approved March 4, 1909 (35 Stat. L., 1109), this stipulation, so far as it relates to Members of or Delegates to Congress, or Resident Commissioners, shall not extend, or be construed to extend, to any contract made with an incorporated company for its general benefit.

Erasure of the word "by," line 5, and the words "a corporation existing under the laws of the State of," line 11, and words "memoranda, catalogues

cuts," line 15, and words "on or before the day of," line 18, and interlineation of the words "as soon as general contract will admit," and 19 line 19 made before signing.

In witness whereof, the parties aforesaid have hereunto placed their hands the date first hereinbefore written.

A. R. WARFIELD,  
Major Quartermaster Corps, United States Army,  
Constructing Quartermaster.

Witness:

W. J. MATHEWS.

THOLEN BROS.,  
By W. W. THOLEN,  
One of the Firm.

Witness:

C. W. DOUGHERTY.

The following certificate by the contracting officer will be made where the contractor is a corporation, in cases where the filing of evidence referred to may properly be waived:

I hereby certify that I have satisfied myself of the authority of the person signing the contractor's name to this agreement to bind in the matter, and I have waived the filing of evidence of such authority, as permitted so to do by the Army Regulations.

\_\_\_\_\_  
Quartermaster Corps, United States Army.

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The following affidavit is required only on the copy of the contract for the returns office:

I do solemnly swear (affirm) that the foregoing is an exact copy of a contract made by me personally with the contractor named above; that I made the same fairly, without any benefit or advantage to myself, or allowing any such benefit or advantage corruptly to the said contractor, or any other person; and that the papers accompanying include all those relating to the said contract, as required by the statute in such case made and provided.

\_\_\_\_\_  
Quartermaster Corps, United States Army.

Subscribed and sworn to (affirmed) before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

The following certificate is required only on the number for the Auditor for the War Department:

I certify that the award of the foregoing contract was made to the lowest responsible bidder for the best and most suitable articles or services, on proposals received in response to the advertisement hereto attached, which was published in newspapers and posted in public places for \_\_\_\_\_ days prior to the opening, and was sent to principal dealers and contractors at \_\_\_\_\_ and vicinity.

\_\_\_\_\_  
Quartermaster Corps, United States Army.

(Strike out any portion of this form of certificate that would not be in accordance with the facts. If award was not made to the lowest bidder a full explanation will be submitted.)

#### NOTES.

1. The name of the principal intended to be bound as party of the second part, whether an individual, a partnership, or a corporation, should be inserted in and signed to the contract in exactly the same form. An officer of a corporation, a partner, or an agent, signing for the principal should add his name and title after the word "By" under the name of the principal. If

the contractor is not a corporation strike out the printed part "(a corporation existing under the laws of the State of ———)" on page 1.

2. Where the work under the contract is for construction proper, or is not connected with work under any other contract, a specific date for completion will be entered in the contract, but where the contract is for subordinate work—as, installation of plumbing, heating systems, wiring for electric lighting, etc.—the following will be added to the printed part of the time clause: "Not later than the completion of the work under contract with ———, dated ———, for construction proper, as and when the same is actually performed."

3. The contract is to be executed in triplicate, and at least two copies made—one for the returns office and one for the office of the contracting officer. Preferably the contract should be drawn on the typewriter. By the use of carbon paper all numbers and copies can be drafted at one writing.

4. When interlineations, erasures, or other changes are made, notation thereof should be specifically made in the blank space preceding the executing clause, before the agreement is signed.

5. Bond in the penal sum of at least 50 per cent of the total amount of the contract must be given to secure all contracts executed upon this form.

To FA-Con:

SEPTEMBER 21, 1917.

Proper plans and specifications accompany this contract.

The contract herewith has been carefully examined and found correct as to prices, terms, time of performance, specifications, plans, etc., and its acceptance is recommended.

*Principal Clerk, Construction and Repair Division.*

WAR DEPARTMENT,

OFFICE OF THE QUARTERMASTER,

Fort Leavenworth, Kans., September 13, 1917.

From: The Constructing Quartermaster.

To: Quartermaster General, U. S. A., Washington, D. C.

Subject: Contracts for approval.

1. Herewith for approval, three numbers of contract with J. W. Wright, for construction, and three numbers of contract with Tholen Bros., for plumbing.

Ten barrack buildings.

Ten mess halls and kitchens.

Five bathhouses.

Five latrines.

2. Bonds will be forwarded as soon as received.

H. J. BOWEN,

*Captain, Quartermaster, U. S. A.*

WAR DEPARTMENT,

OFFICE OF THE QUARTERMASTER GENERAL OF THE ARMY.

Washington, October 5, 1917.

No. 652-111 Fort Leavenworth, Kans.

From: Office Quartermaster General.

To: Constructing Quartermaster, Fort Leavenworth, Kans.

Subject: Contract with Tholen Bros., dated August 14, 1917. F. Y., 1918.

1. The above-named contract is herewith returned.

2. The name of the contractor with date of contract for the construction proper should be given in first part of article 1 of contract.

3. The bond referred to in brief should be forwarded in duplicate to comply with second paragraph of A. R. 569.

4. The contractor's number of contract is herewith returned. Two numbers only should be forwarded to this office to comply with Circular 2, O. Q. M. G., 1915.

5. Duplicate original proposal is returned, not required.

6. Reply hereto to be made by indorsement hereon.

By authority of the Quartermaster General:

GEO. H. PENROSE,

*Lieutenant Colonel, Quartermaster Corps.*

[First Ind.]

O. C. Q. M., Fort Leavenworth, Kans., October 10, 1917.—To Quartermaster General, Washington, D. C. Returned.

1. Name of general contractor given in article 1.
2. Bond in duplicate was forwarded to Quartermaster General September 29, 1917.

FRANKLIN T. BURE,  
*Captain, Quartermaster Corps, Constructing Quartermaster.*

CONTRACTOR'S BOND (PUBLIC WORKS).

[When principal is an individual or a partnership and surety is a corporation.]

Know all men by these presents, that we, W. A. Tholen and W. W. Tholen, composing the firm of Tholen Bros. as principals, and The Aetna Casualty & Surety Co., a corporation existing under the laws of the State of Connecticut, as surety, are held and bound unto the United States of America in the penal sum of four thousand one hundred five and 50/100 dollars, to the payment of which sum well and truly to be made we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

The condition of this obligation is such, that whereas the above-bounden W. A. Tholen and W. W. Tholen, composing the firm of Tholen Bros., have, on the 14th day of August, 1917, entered into a contract with the United States, represented by A. B. Warfield, major constructing quartermaster for all plumbing work in and for 30 cantonment buildings at Fort Leavenworth, Kans., as follows:

Ten barrack buildings.  
Ten mess halls and kitchens.  
Five bathhouses.  
Five latrines.

Now, therefore, if the above-bounden W. A. Tholen and W. W. Tholen, composing the firm of Tholen Bros., heirs, executors, or administrators, shall and will, duly and fully observe and perform all and singular the covenants, conditions, and agreements in and by the said contract agreed and covenanted by said W. A. Tholen and W. W. Tholen, composing the firm of Tholen Bros., to be observed and performed according to the true intent and meaning of the said contract, and as well during any period of extension of said contract that may be granted on the part of the United States as during the original term of the same, and shall promptly make full payments to all persons supplying them labor or materials in the prosecution of the work provided for in said contract, then the above obligation shall be void and of no effect; otherwise, to remain in full force and virtue.

In witness whereof, the above-bounden principals and surety have executed this instrument under their several seals this 14th day of August, 1917, the name and corporate seal of said surety being hereto affixed and these presents duly signed by its resident vice president and resident assistant secretary, pursuant to a resolution of its board of directors, passed on the 14th day of June, 1917, a copy of the record of which is on file in the War Department.

WILLIAM A. THOLEN. [SEAL.]  
WEBSTER W. THOLEN. [SEAL.]

In presence of—  
BEN M. SHACKELFORD.  
WILLIAM HERTEL.

Attest:

ROSS HECK, *Resident Assistant Secretary.*  
THE AETNA CASUALTY CO.,  
By RICHARD E. CLINE, *Resident Vice President.*

WAR DEPARTMENT, J. A. G. O.,  
Washington, D. C., November 2, 1917.

The within bond is in due form of law, properly executed, and the evidence on file in this office shows that the officers, agents, or attorneys executing this bond have authority to sign it on behalf of the surety company.

H. A. WHITE,  
*Lieutenant Colonel Judge Advocate,*  
*Assistant to the Judge Advocate General.*

All original rejected bids received filed with general contract with J. W. Wright for construction.

## CIRCULAR—PROPOSAL.

## ADVERTISEMENT.

## OFFICE OF THE QUARTERMASTER.

FORT LEAVENWORTH, KANS., July 30, 1917.

Sealed proposals, in duplicate, subject to the usual conditions, will be received at this office until the time specified below, at which time and place they will be opened in the presence of bidders who attend, for the supplies or services specified below, the Government reserving the right to reject or accept any or all bids or any part thereof.

Bidders for supplies must state the time when and the place where they propose to make deliveries. Bids are invited for delivery as indicated below, but proposals for delivery at other points will be entertained. Bidders for services of any nature must state the date they will begin work and the date they will complete the same.

Proposals for any class of stores mentioned, or for quantities less than the whole required, will be received, and the quantities may be increased or decreased to an extent not exceeding 20 per cent should the interest of the public service demand such change.

Preference will be given to articles of domestic production or manufacture, conditions of quality and price (including in the price of foreign productions and manufactures the duty thereon) being equal, and such preference will be given to articles of American production and manufacture produced on the Pacific coast to the extent of consumption required by the public service there.

Proposals will be signed by the bidder, inclosed in sealed envelopes, postage fully prepaid, and addressed to the undersigned, marked: "Proposals for constructing cantonment buildings, to be opened 11 a. m., August 6, 1917."

A. B. WARFIELD,

Major, Quartermaster Corps, U. S. A., Quartermaster.

## PROPOSAL.

(Place)-----

(Include street address.)

(Date)-----

In accordance with the above advertisement, the undersigned proposes to furnish and deliver the supplies, or perform the services as stipulated below at the prices and within the time specified.

THOLEN BROS.,  
By W. A. THOLEN,  
One of the Firm.

## SCHEDULE OF SUPPLIES OR SERVICES TO BE FURNISHED AT FORT LEAVENWORTH, KANS

Furnish all labor, material, and appliances necessary or required, and construct in accordance with plans and specifications, Q. M. G. O., and which are made a part of this proposal: Barrack buildings, 10; mess halls, 10; kitchens, 10; bath houses, 5; latrines, 5.

Location of buildings, plans, and specifications can be obtained at the office of the constructing quartermaster, Fort Leavenworth, Kans.

Prospective bidders can obtain the plans and specifications by making a deposit of \$5 with the quartermaster, which will be held until plans and specifications are returned. Contractors will be required to lay out their own work and furnish bond in the amount of 10 per cent of their contract that they will enter into contract within 10 days after being awarded the contract.

Bidders will state time they will commence work: When notified. And time they will complete same: As soon as general contract will permit.

Time for completion will be taken into consideration on making award.

## INSTRUCTIONS.

1. This form may be used in cases where various forms of circular-proposals have been used heretofore, as in inviting proposals for (except construction or repair) class A supplies, class A-1 supplies, and other supplies when the delivery or performance is to immediately follow the award, and no guaranty of proposals is considered necessary. In such cases a formal contract may

or may not be made, according to the provisions of Circular 7, O. Q. M. G., 1915, and the judgment of the purchasing officer.

2. However, under the terms of the law cited in paragraph 1 of said Circular 7, proposals invited on this form and accepted by letter constitute valid contracts if within the limits fixed in the law and the restrictions of said circular.

3. In inviting bids for subsistence stores, notation should be made on the face of the form that the conditions of "Q. M. C. Form No. 120 will govern" and the serial numbers of the items for which bids are invited should be stated in the column headed "Description."

4. Any special conditions, specifications, terms of delivery or performance should be shown on the face of the form when it is sent out as an advertisement.

5. The time and place of opening, name and title of officer, place for delivery, list of articles or services advertised for, etc., should be inserted in the form (preferably by the typewriter, or multigraph, or mimeograph) before it is sent out as an advertisement.

6. If additional space is required for lists and descriptions of articles or services, an additional sheet or sheets (Q. M. C. Form No. 119b) should be attached.

7. The items should be so arranged as to permit the insertion opposite each, by bidders, of the price at which and the number of days within which the same will be furnished.

8. When issued as an advertisement, after being prepared as directed, this form will be sent to prospective bidders, posted in public places, and distributed among dealers in the class of supplies or services required.

9. Proposals received in response to the invitation therefor will be opened (in the presence of the bidders who avail themselves of the privilege of attending), at the time appointed therefor, abstracted, and awards made to the lowest responsible bidders for the best and most suitable supplies or services. Contracts will be made, or will not be made, as provided by Circular 7, above, and considered advisable by the purchasing officer. When formal contracts are made the successful bidders will be informed of the awards to them and that contracts will be prepared for execution as soon as practicable.

10. When formal contracts are not made, letters of acceptance will be issued on Form No. 119a, specifying the articles, quantities, description, time of delivery, place of delivery, prices, etc., and giving directions for delivery, the proper marking of supplies, or for the proper performance of the services.

11. When formal contracts are not made, a copy of the proposals, etc., will not be sent to the Returns Office; likewise, none in such cases need be forwarded to the Quartermaster General, except when specially directed to do so.

12. In all cases, however, when a formal contract is not made, a copy of the advertisement, one number of the accepted proposal, and a copy of the letter of acceptance will be filed with the first voucher upon which a payment thereunder is made, together with a certificate as to whether award is made to lowest bidder, as required by Circular 7, above.

13. The purchasing officer will, when formal contracts are not made, retain one number of each proposal and a copy of each letter of acceptance.

#### GENERAL PROPOSAL FOR FURNISHING SUPPLIES OR SERVICES.

Proposal of Tholen Bros. for plumbing, cantonment buildings, at Fort Leavenworth, Kans., bids to be opened at 11 o'clock, a. m., August 10, 1917.

1. In accordance with the foregoing advertisement, circular to bidders, schedule, specifications, etc., copies of which are hereto attached and made a part of this proposal, and subject to all the conditions and requirements thereof, the undersigned Tholen Bros., doing business as contractors, of Kansas, in the city of Leavenworth, in the county of Leavenworth, and State of Kansas, hereby proposes to furnish the supplies or perform the services at the prices and rates and in the manner and at the times specified herein.

2. This proposal is made with a full knowledge on the part of the undersigned of the kind, quantity, and quality of the supplies and services required; and should the undersigned receive written notice of the acceptance of this bid, or any part thereof, within 60 days after the date of opening same, he will deliver or perform the accepted items within the time and in accordance with the terms of said proposal and acceptance, or will if so required by the United States enter into contract within 10 days after such notification of acceptance in accordance with the terms of said proposal and acceptance,



and will give bond with good and sufficient sureties for the faithful and proper fulfillment of such contract.

3. The work or deliveries will begin when notified, and be completed as soon as general contract will permit.

Will complete the work in strict accord with the plans and specifications for the sum of \$8,211.

THOLIN BROS.,  
By W. A. THOLIN,  
One of the Firm.

August 10, 1917

—hereby guarantee that the foregoing proposal, if not withdrawn prior to the opening thereof, shall remain open for 60 days thereafter, unless accepted or rejected within that time; and if it be accepted in any or all of its items or any part of parts thereof, within said period of 60 days, the said bidder will, upon written notice of such acceptance, deliver or perform the accepted items within the time and in accordance with the terms of said proposal and acceptance, or will, if required by the United States, or its legal representative, within 10 days after written notification of such acceptance, enter into contract with the proper officer of the United States, for the delivery or performance of the accepted items in accordance with the terms of the said proposal and acceptance and will give bond with good and sufficient sureties, for the faithful and proper fulfillment of such contract. And we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, to pay to the United States in case the said bidder shall withdraw said proposal within said period of 60 days, or shall fail to furnish such articles and services in accordance with said proposal as accepted, or shall fail to enter into such contract and furnish such bond, if so required, within 10 days after said notice of acceptance, the difference in money between the amount of the proposal of said bidder on the articles and services so accepted and the amount for which the proper officer of the United States may procure the same from other parties, if the latter amount be in excess of the former.

Given under our hands and seals this 9th day of August, 1917.

THE AETNA CASUALTY & SURETY CO.  
By IRELAND E. CLINE,

*Resident Vice President.*  
[SEAL]

Witness:  
J. V. KELLY  
Attest:

ROSS HECK,  
*Resident Assistant Secretary.*

**SPECIFICATIONS OF THE MATERIAL AND WORKMANSHIP REQUIRED IN THE CONSTRUCTION AND PLUMBING OF CANTONMENT BUILDINGS AT FORT LEAVENWORTH, KANS.**

#### GENERAL CONDITIONS.

1. The work is to be executed in the best and most workmanlike manner, according to plans and specifications, under the direction and to the entire satisfaction of the United States officer in charge and in conformity with his instructions.

2. The contractor shall give his personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the officer in charge, on the job at all times during the progress of the work, with authority to act for him.

3. The contractor shall furnish all materials, labor, etc., necessary to complete the work according to the true intent and meaning of the drawings and specifications, of which intent and meaning the officer in charge shall be the interpreter. Except where otherwise specified, no local terms or classification will be considered in the interpretation of these specifications.

4. The location and grade of building will be indicated by the officer in charge, and the site shall be cleared by the contractor for the reception of the structure, and should be examined by intending bidders. All necessary grading must be included in the contract.

5. It is intended that the drawings and specifications shall include everything requisite and necessary to the proper and entire finishing of the building, notwithstanding every item necessarily involved by the work is not particularly

mentioned. All work, when finished, is to be delivered up in perfect and undamaged state.

6. Where no figures or memoranda are given the drawings shall be accurately followed according to scale. In any case of discrepancy in the figures or drawings the matter will be immediately submitted to the officer in charge, without whose decision said discrepancy shall not be adjusted by the contractor, save only at his own risk, and in the settlement of any complications arising from such adjustment by contractor the latter will bear all extra expense involved. In case of difference between drawings and specifications the requirements of the specifications shall govern. Where detail drawings are furnished they will govern in as far as regards methods of construction not described or made clear by specifications. All drawings on a scale of three-quarters of an inch to 1 foot or larger will be considered detail drawings.

7. The drawings and these specifications will be considered as cooperative, and work or material called for by one and not mentioned in the other is to be done or furnished in as faithful and thorough a manner as though fully treated by both.

8. The contractor must lay out his own work, and will be responsible for measurements; he must exercise proper caution and care to verify the figures before laying out the work and will be responsible for any errors therein that otherwise might have been avoided. He shall promptly inform the officer in charge of any errors or discrepancies he may discover in the plans and specifications in order that the proper correction may be made and understood.

9. The officer in charge may require the contractor to dismiss such workmen as he deems incompetent or careless, and is to have at all times access to the work, which is to be entirely under his control.

10. The contractor shall be held responsible for all damages to the building, whether from fire, high winds, or other causes during the prosecution of the work and until the same is finally accepted, even though partial payment may have been made for the completed work or material. He shall be held responsible for all damages that may occur to persons, animals, or vehicles from want of proper lighting, watching, boarding, or inclosing, or any accident arising from defective scaffolding, or any negligence on the part of himself or employees.

11. All work and material of every description shall be properly protected from damage from any source, both before and after being used in construction. The top of all walls must be covered for their protection before leaving of work, and if at any time during construction any part is liable to damage by weather such protection as the officer in charge may deem necessary shall be provided without additional charge to the Government.

12. Smoking will not be permitted in the building. The contractor shall provide the men with spittoons, which shall be kept filled with clean sand.

13. The work must be carried on systematically, and it is to be so managed at all times by the contractor as to insure rapid progress and avoid annoyance and inconvenience.

14. The contractor is to clean away, whenever directed by the officer in charge, the dirt and rubbish resulting from his operations, and remove all rubbish at completion of building, he or his employees must not deface or damage the building, and the whole is to be delivered over clean and in perfect condition.

15. *Quality of materials.*—Except it be otherwise specified, all materials are to be of the best quality of their respective kinds. When two or more varieties of material is specified for any purpose it shall be optional with the contractor which is used, but in any one building the same material shall be used for that particular purpose. In all cases when the article is mentioned in those specifications in connection with the words "best quality," "approved quality," or "equal to," the officer in charge shall decide what is the best and most suitable to use.

16. *Samples.*—When required by the officer in charge, the contractor will furnish him in advance with samples of the material he proposes to use on the building, and samples so furnished must, after having been approved, be adhered to. Samples of cement, lime, plaster, and similar materials will be taken from materials delivered on the grounds for use, and such materials must be delivered at least 10 days before required for use. The contractor will be held responsible for all delays caused by rejection by the officer in charge of material of any kind which is found unfit for use or does not conform to samples furnished.

17. *Details.*—Additional detail drawings will be furnished, if required, of such portions of the work as the officer in charge may desire to explain more fully, and any work not constructed in accordance with such details furnished must be taken down and replaced with other work, in accordance with them, at the contractor's expense, if so directed by the officer in charge.

18. *Ownership of drawings.*—All drawings, specifications, and memoranda relating to the work are the property of the United States, and are to be used carefully and returned to the officer in charge at completion or cessation from any cause of the work.

19. *Assistance.*—The contractor shall render assistance to the other mechanics in every way in which his special work can be of service, and such assistance must be given promptly and thoroughly without additional charge. He and his employees must work in harmony with other contractors on the grounds, and in such order as may be required by the officer in charge.

20. *Inspection and acceptance of work.*—The contractor must understand that the material delivered and the work performed by him, at any and all times during the progress of the work, and prior to the final acceptance of and payment for the same, shall be subject to the inspection of the officer in charge, or other authorized agents of the Government, with the full right to accept or reject any part thereof; and that he must, at his own expense, within a reasonable time, remedy any defective or unsatisfactory materials or work, and that in the event of his failure to do so, after notice, the officer in charge shall have the full right to have the same done, and to deduct the cost thereof from any money due the contractor. All condemned materials must be once removed from the reservation.

21. *Extras.*—No charge for extra work will be allowed unless the same has been ordered by the officer in charge, the price stated in the order, and accepted by the contractor.

22. *Water.*—The contractor must make his own arrangements for procuring water required for his employees and in carrying on the work under his contract. If there is a water supply plant at hand which is owned and operated by the Government, water therefrom will be furnished at its cost to the Government, and in like manner, if there is a water distributing system at hand owned by the Government, but the water is obtained by purchase. In either case the expense of making connections between the established line of the water system and conveying the water therefrom to the place or places where it is required by the contractor must be borne by him. The quantity of water furnished to contractor by the Government may be determined by the officer in charge, either by meter measurement or otherwise. If a meter be required, it will be furnished by the contractor. The point or points where connection with the established water system can be made will be made by the quartermaster in charge.

23. *Employment of convict labor.*—In the performance of work herein specified the contractor shall not, directly or indirectly, employ any person undergoing sentence of imprisonment at hard labor which may have been imposed by court of any State, Territory, or municipality having permanent jurisdiction, nor permit such employment by any person furnishing labor or material to said contractor in fulfillment of this agreement.

24. *Sanitation.*—The contractor shall provide and maintain necessary sanitary conveniences for the use of those employed on or about the work properly excluded from public observation in such a manner and at such points as shall be approved by the officer in charge, and their use shall be strictly enforced. The collections in same shall be removed or destroyed when and where, in the opinion of the officer in charge, it is advisable. The contractor shall provide sufficient drinking water to all of his employees, but only from such sources as are approved by the officer in charge. The contractor must obey and enforce all sanitary and healthful requirements of the post surgeon.

25. *Patents.*—The contractor shall for all time secure to the Government the free and undisputed rights to the use of any and all patent articles used in the work and shall defend at his expense any and all suits for infringement or alleged infringement of any such patent or patents, and in the event of adverse claims under patent the contractor shall pay all such awards.

#### PLUMBING.

*Water connections.*—Connection will be made to the 8-inch water main along Grant Avenue. Provide and install in this main an 8 by 4 inch cast-iron T reduced on branch to 3 inches; close to this branch, and as may be directed.

install a 3-inch heavy Eddy gate valve, from body with a heavy cast-iron curb box. Continue from this valve with 3-inch galvanized-iron pipe (about 350 feet) to a point designated by the officer in charge. At this point branch off with two 2-inch Eddy gate valves and curb boxes to shut off one-half of system. Continue along line or buildings, about 900 feet in all, with 2-inch galvanized-iron standard pipe, installing necessary branches for each building where plumbing is indicated. Provide a 1-inch supply for each bathhouse, reducing to three-fourths inch above floor. On each branch provide a stop and waste cock of approved pattern; this is to have a curb box. Provide each kitchen with a three-fourths inch service pipe with a three-fourths stop and waste cock and curb box for control. Provide for each latrine building a 1-inch service with stop and waste cock and curb box. All water pipe is to be three or more feet underground and to grade to lower end of ground for proper drainage. Install 10 three-fourths inch McNamara yard hydrants, one for each barracks, where directed; provide each with a separate stop and waste cock and curb box.

**Bathhouses.**—Each bathhouse to have 10 shower heads, one-half inch. Government specifications, supplied by three-fourths inch galvanized-iron standard pipe. Provide three-fourths inch heavy compression stop cocks, with stuffing boxes, plain brass, and installed as shown on plan. Provide and install five 2-inch floor traps, one for every two showers, traps to be called for in Government specifications. These to waste to a main 4-inch extra heavy cast-iron soil pipe with four 2-inch branches. Vent to extend full size through the roof. The main line to be underground to prevent wastage from freezing. Traps in floor and water-pipe risers to also be protected by some approved method from frost. A three-fourths inch T to be installed above floor for future use.

**Kitchens.**—Each kitchen to have two galvanized-iron, pressed-steel sinks, 20 by 40 inches, with backs and roll rim, to be connected with 1½-inch cast-iron, one-piece traps. Provide each sink with two three-fourths inch compression bibbs, with stuffing boxes, and two separate compression stopcocks to control the two sinks, all inside building. A three-fourths inch T to be installed where directed to supply range boiler, when supplied. (Range boiler to be a separate contract and not included in this one.) The waste for sinks to be 2-inch cast-iron extra heavy soil pipe, with a short piece of wrought iron to connect up trap. The 2-inch pipe to have 2-inch iron body clean-outs, with brass screw at each turn, and installed where directed. Vent to continue full size through roof. Water pipe under floor to be protected from frost.

**Latrines (closets).**—Each latrine to have 14 water-closets (Crane low-down pattern, with wood tanks.) To be supplied with three-fourths inch galvanized-iron pipe and a separate stopcock to each tank; waste to be 5-inch extra heavy cast-iron soil pipe and to have 4-inch branches for each closet and 4-inch vent. Main pipe to be underground to prevent freezing. Continue vent through roof 4 inches. Cleanouts to be installed where directed.

**Urinals.**—There will be two urinals in each latrine, each 6 feet long by 6 inches in diameter, made as shown in plan, of No. 26 galvanized sheet iron, each connected with sewer with a 1½-inch cast-iron trap, also supply each with a ¾-inch compression bibb or flushing.

**Sewer.**—The sewer work to consist of doing everything necessary to install and connect with the main post sewer. There will be about 2,600 feet of sewer pipe—1,500 feet of 10-inch, 600 feet of 8-inch, and 500 feet of 6-inch—all of hard-fired salt-glazed tile pipe, laid in cement mortar, true to grade and as directed. There will also be three brick manholes, one at upper end of the 6-inch pipe, one each at junction of 6-inch and 8-inch pipe and 8-inch and 10-inch pipe, all as shown on location plan. Manholes to be built of hard building brick laid in cement mortar, similar to manholes now installed in post sewer, each provided with cast-iron cover as shown in J. B. Olow catalogue A 1655, page 68. Provide separate 6-inch Y branches for each building, also easy bends where directed. Wherever the word "mortar" is used it shall consist of Portland cement of some well-known brand and sharp, clean sand, mixed in proportion of one part cement to three parts of sand and mixed not more than 20 minutes before using.

FORT LEAVENWORTH, KANS., December 21, 1917.

To FA-Con:

The contract herewith has been carefully examined and found correct as to prices, terms, time of performance, etc., and its acceptance is recommended.

T. B. HUNT,

Principal Clerk, Construction and Repair Division.

## SYNOPSIS OF COMMUNICATION RECEIVED AND INDORSED OUT.

NOVEMBER 20, 1917.

Dated: November 12, 1917.

From: Quartermaster, Fort Leavenworth, Kans.

To: The Quartermaster General.

Subject: Supplemental contract, plumbing cantonment buildings, Fort Leavenworth, Kans.

Contract with Tholen Bros., of Leavenworth, Kans., in sum of \$3,775, appropriation S. S. & T., increase for furnishing all material and labor for plumbing work in and for 30 cantonment buildings at Fort Leavenworth, Kans.

Supplemental contract dated October 22, 1917.

Original contract dated August 14, 1917.

DECEMBER 13, 1917.

Reference attached supplementary agreement dated October 22, 1917, for modification of contract dated August 14, 1917, with W. A. Tholen and W. W. Tholen, composing firm of Tholen Bros., for plumbing, cantonment buildings, at Fort Leavenworth, Kans., at an increased cost of \$3,775.

1. Supplementary agreement has been examined and appears to be correctly drawn. Approval is recommended.

WASHINGTON, D. C., October 9, 1917.

CONSTRUCTING QUARTERMASTER,

*Fort Leavenworth, Kans.:*

Reference your telegram October 8, you are authorized to proceed with construction of bathhouses. An authorization of \$7,575.60 was approved by the Secretary of War on October 8.

I. W. LITTELL,

*In Charge of Cantonment Division.*

A true copy.

ERIC O. A. MILLER,

*Capt., Q. M., U. S. R.*

WASHINGTON, D. C., September 26, 1917.

CONSTRUCTING QUARTERMASTER,

*Fort Leavenworth, Kans.:*

Reference your telegram September 22. Your action in substituting metal ventilators for wood is approved provided no additional expense is entailed.

I. W. LITTELL,

*In Charge of Cantonment Division.*

A true copy.

ERIC O. A. MILLER,

*Capt., Q. M., U. S. R.*

[First indorsement.]

CONSTRUCTING QUARTERMASTER,

*Fort Leavenworth, Kans., September 29, 1917.*

To Col. I. W. LITTELL,

*In Charge Cantonment Construction, Washington, D. C.:*

Returned.

1. Attention invited to telegram from this office 22d instant (copy inclosed) in which it is stated that the change in ventilation would cost \$242.

2. This change was absolutely necessary for the health of the troops, was recommended by the post surgeon and authorized by post commander. The additional cost was reasonable and in the interest of the service; the contractor was directed to make the change.

3. It is requested that action be approved and that allotment be increased \$242.

FRANKLIN T. BURT,

*Captain, Quartermaster Corps,**Constructing Quartermaster.*

A true copy.

ERIC O. A. MILLER,

*Capt., Q. M., U. S. R.*

[Second indorsement.]

CANTONMENT OFFICE, WAR DEPARTMENT,  
October 10, 1917.

To the CONSTRUCTING QUARTERMASTER, Fort Leavenworth, Kans.:

1. Returned.
2. The change in ventilating system recommended by the post commander and surgeon involving replacement with 20-inch metal ventilators, at cost of \$242, is approved and allotment increased accordingly.

By authority of the Secretary of War:

I. W. LITTELL,  
Brigadier General, Quartermaster Corps,  
In charge of Cantonment Construction.  
By R. C. MARSHALL, JR.,  
Captain, Quartermaster Corps.

A true copy.

ERICOA MILLERY,  
Captain, Quartermaster, U. S. R.

SUPPLEMENTAL AGREEMENT FOR MODIFICATION OF CONTRACT.

Between Franklin T. Burt, captain, Quartermaster Corps, United States Army, and W. T. Tholen and W. W. Tholen, composing firm of Tholen Bros. modifying contract dated August 14, 1917, for plumbing, cantonment buildings, at Fort Leavenworth, Kans. Appropriation S. S. & T., dated supplemental contract October 22, 1917. Amount of increase, \$3,775.

Whereas on August 14, 1917, a contract was entered into between the United States, represented by A. B. Warfield, major, Quartermaster Corps, United States Army, and W. A. Tholen and W. W. Tholen, firm, Tholen Bros. (hereinafter designated as contractor), for plumbing, cantonment buildings, at Fort Leavenworth, Kans.;

And whereas it is found advantageous and in the best interests of the service of the United States to modify the provisions of said contract as specified below:

Now, therefore, it is hereby agreed that the provisions of said contract shall be changed in the following particulars and in these respects only, and in consideration thereof the contractor shall receive Thirty-seven hundred seventy-five and no/100 dollars more than stipulated in said original contract, viz: For furnishing all material and labor for plumbing work in and for 30 cantonment buildings at Fort Leavenworth, Kans., as per plans herewith, and which are made a part of this supplemental agreement.

Specifications are on file with the original contract.

Witness our hands this 22d day of October, 1917.

FRANKLIN T. BURT,  
Captain, Quartermaster Corps, U. S. A.  
W. A. THOLEN.  
WEBSTER W. THOLEN.

Witnesses:

C. W. DOUGHERTY.  
BEN M. SHACKELFORD.  
JOSEPH C. KLASINKI.

The undersigned sureties to the bond pertaining to the above-described original contract assent to the foregoing modification thereof and hereby stipulate that said bond shall be construed to apply accordingly.

Witness our hands and seals this 22d day of October, 1917.

THE AETNA CASUALTY AND SURETY CO.,  
By ANTHONY F. CLINE, [SEAL.]  
Resident Vice President.

Witnesses:

JOHN G. LITTLE.  
MARY E. FLOW.

Attest:

ROSS HECK, [SEAL.]  
Resident Assistant Secretary.

ABW No. 6.

WAR DEPARTMENT,  
THE CAMP SUPPLY OFFICE,  
*Camp Sherman, Chillicothe, Ohio, September 25, 1919*

From: A. B. Warfield, colonel, Quartermaster Corps, Camp Sherman, Ohio.  
To: Mr. W. T. Chantland, counsel for subcommittee No. 2, Expenditures War Department, Washington, D. C.  
Subject: Dimensions of various buildings, Leavenworth contract.

MY DEAR MR. CHANTLAND: 1. Your letter of September 23 just received. The copies of the Leavenworth specifications in my possession here do not give the exact dimensions of the various buildings. However, I know them to be as follows:

Enlisted mens' barracks, 20 by 147 feet.

Mess halls, 20 by 56 feet.

Kitchens, 20 by 21 feet.

Bathhouses, 14 by 35 feet.

Latrines, 14 by 42 feet.

Storehouses, 36 by 60 feet.

2. The specifications as prepared by me prescribed for No. 1 yellow-pine lumber and in making up the specifications under which the various bidders bid and under which the successful bidder was awarded the contract I called for No. 1 yellow-pine lumber. To the best of my knowledge there was no subsequent waiver of that specification unless the same was done after I left Fort Leavenworth and before the contract was finished; however, I do not think this likely. I believe I can state positively that these buildings were built out of No. 1 yellow-pine lumber.

A. B. WARFIELD,  
Colonel, Quartermaster Corps.

Mr. McKENZIE. We also desire to introduce the following letter from Mr. Wetmore, Acting Supervising Architect of the Treasury Department, in response to an inquiry made of him while on the witness stand as to what services he had been called upon to perform in aid of the Government during the present war, identified as Exhibit "A. J. W.-1":

SUPERVISING ARCHITECT, WAR MEASURES,  
TREASURY DEPARTMENT,  
*Washington, November 21, 1919.*

HON. JOHN C. MCKENZIE,  
*House of Representatives.*

DEAR SIR: Reference is made to your letter of the 19th instant in which you request me to supplement information during a hearing on October 22 before Subcommittee No. 2 of the Select Committee on Expenditures in the War Department regarding the number of times this office was called upon by the War Department to do certain work for that department between April 7, 1917, and November 11, 1918; also the class and extent of that work.

During this period this office rendered the following services to the War Department:

Preparation of drawings for emergency hospital buildings was undertaken after a personal conference with one of the officers; the work consumed the time of eight draftsmen for about 15 days. The records do not show the exact date.

On November 14, 1917, at the request of Col. Hillman, Ordnance Department, a review was made of structural drawings prepared by private architects for buildings for the Minneapolis Steel & Machine Co.; the time of one engineer for one day was required.

On November 17, 1917, at request of Col. Hillman, Ordnance Department, a similar review was made of drawings for buildings for the Standard Steel Car Co.; time of one engineer for one day was required.

On December 8, 1917, at request of Maj. James B. Dillard, Ordnance Department, a similar review was made of plans for buildings for the Morgan Engineering Co.; time of one engineer for one day was required.



On December 21, 1917, at the request of Maj. C. T. Richardson, Ordnance Department, a similar review was made of drawings for shop buildings at New Britain Conn.; time of one engineer for one day was required.

January 12, 1918, at the request of Brig. Gen. C. B. Wheeler, a similar review was made of drawings for buildings projected for the Standard Steel Car Co.'s plant at Hammond Ind.; time of one engineer for one day was required.

This completes the work performed by this office for the War Department.

Very respectfully,

JAS. A. WETMORE,  
*Acting Supervising Architect.*

Mr. McKENZIE. We also offer from the general files of the Construction Division of the War Department the following sheets:

"Sheet A, Sheet B, Sheet C, Sheet D, Sheet E, Sheet F, Sheet G."

#### SHEET A.

##### NATIONAL ARMY CANTONMENTS AND NATIONAL GUARD CAMPS.

*Comparison of total estimates of cost dated Mar. 13, 1917, May 26, 1917, and Aug. 9, 1917, with the total estimated cost prepared Jan. 1, 1918.*

	National Army cantonments.	National Guard camps.	Total.
Estimate of Mar. 13, 1917.....			\$78,365,799
Estimate of May 26, 1917.....			192,393,200
Estimate of Aug. 9, 1917.....	\$102,088,525	\$23,527,000	125,615,525
Estimate of Jan. 1, 1918.....	140,728,473	38,375,272	179,101,745

## SHEET B.

## Summary of estimates for cantonments for the National Guard and the National Army.

Appropriation.	Estimate Mar. 13, 1917.		Estimate May 26, 1917, cantonment construction.		Other items.	Possible omissions and substitutions under estimate of May 26.	Amount of reductions.
	Per capita.	1,061,270 men.	Per capita.	32,347 men.			
<b>Baracks and quarters:</b>							
Construction.....	\$42.00	\$44,573,340.00	\$61.96	\$1,967,500.00	\$63,929,000.00		
Wall boarding.....			3.47	112,000.00	3,584,000.00		
Screening and screen doors.....			2.64	82,000.00	2,807,680.00		\$2,739,200
Rental camp sites.....	2.00	2,122,540.00	.31	10,000.00	342,400.00		
Rental recruiting stations and lodgings.....	1.184	2,142,440.00					
Allowance for contingencies, 10 per cent.....	.92		6.83	220,150.00	7,537,336.00		
Supplies, services, and transportation:							
Plumbing.....			7.75	260,000.00	8,560,000.00		6,948,000
Heating stoves, steam.....			9.31	300,000.00	10,272,000.00		2,362,560
Power plant.....			3.10	100,000.00	3,424,000.00		
Electric lighting, interior.....			2.79	90,000.00	3,061,800.00		3,834,880
Exterior system in camp limits.....	1.75	1,857,223.50	.68	22,000.00	753,260.00		
Water system.....			6.26	200,000.00	6,948,000.00		
Sewer system.....	.175	185,723.25	2.32	75,000.00	2,666,000.00		1,712,000
Maintenance water and sewer system.....							
Sewage disposal.....			6.21	200,000.00	6,948,000.00		3,766,400
Laundry.....			6.38	204,000.00	6,994,800.00		6,964,960
Fire apparatus, including buildings.....			1.39	45,000.00	1,540,500.00		
Carriage incinerating plant.....			3.77	125,000.00	4,866,000.00		
Ice and refrigerating plant.....			3.87	125,000.00	4,866,000.00		4,260,000
Bunks.....			4.18	135,000.00	5,643,000.00		
Mattresses.....			6.45	175,000.00	6,992,000.00		
Ranges.....			.63	20,000.00	694,800.00		
Refrigerator.....			.62	20,000.00	694,800.00		
Allowances for contingencies, 10 per cent.....	3.00	3,122,540.00	6.17	195,600.00	6,800,064.00		
Volant paper.....	2.00	2,122,540.00					
Provisional, galleys.....	4.00	4,245,080.00					
Electric current.....	4.00	4,245,080.00					

Roads, walks, wharves, and drainage:						
Roads.....	5.00	5,304,340.00	5.43	175,000.00	5,992,000.00	
Drainage.....			.98	30,000.00	1,027,200.00	
Clearing.....			.69	30,000.00	694,800.00	
Railroads.....			2.33	75,000.00	2,568,000.00	2,568,000
						Reduction of railroad construction on assumption that railroad companies will build distribution tracks in confinement at their own expense.
Maintenance roads.....	.50	530,635.00	.98	30,000.00	1,027,200.00	
Allowances for contingencies, 10 per cent.....	2.10	2,238,667.00	18.92	625,500.00	20,880,000.00	
Construction and repair of hospitals.....						Reduction in size of hospital below estimates submitted by Medical Department. <sup>1</sup>
Shooting galleries and ranges.....	2.00	2,132,540.00	2.26	75,000.00	2,496,000.00	
Total.....	75.220	78,365,798.75	174.35	5,666,750.00	192,393,200.00	2,122,540.00
						45,536,000

<sup>1</sup> Estimate submitted by Medical Department.

Simon

Simon

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## SHEET G.

*Names of contractors and date camp sites were approved, contracts executed, and work started.*

Location.	Name of camp.	Name of contractor and address.	Date camp sites were approved.	Date contracts were executed.	Date work was started.
<b>NATIONAL ARMY CAMPS.</b>					
American Lake, Wash.	Camp Lewis.....	Hurley, Mason & Co., Tacoma, Wash.	May 31	June 15	June 14
Annapolis Junction, Md.	Camp Meade.....	Smith, Hauser & McIsaac, New York City.	June 22	June 23	July 2
Atlanta, Ga.	Camp Gordon.....	Arthur Tufts Co., Atlanta, Ga.	June 2	June 21	June 18
Ayer, Mass.	Camp Devens.....	F. T. Ley & Co., Springfield, Mass.	May 31	June 11	June 13
Battle Creek, Mich.	Camp Custer.....	Porter Bros., Detroit, Mich.	June 11	June 19	June 19
Chillicothe, Ohio	Camp Sherman.....	A. Bentley Sons Co., Toledo, Ohio.	June 21	June 21	July 6
Columbia, S. C.	Camp Jackson.....	Hardaway Construction Co., Columbus, Ga.	June 2	June 11	June 15
Des Moines, Iowa.....	Camp Dodge.....	Charles Weitzs Sons., Des Moines, Iowa.	June 27	June 22	June 19
Fort Riley, Kans.	Camp Funston.....	George A. Fuller Co., New York City.	June 13	June 20	June 28
Fort Sam Houston, Tex.	Camp Travis.....	Stone & Webster, Boston, Mass.	June 11	...do...	June 14
Little Rock, Ark.	Camp Pike.....	James Stewart & Co., New York City.	...do...	June 23	June 17
Louisville, Ky.	Camp Taylor.....	Mason & Hanger, Richmond, Ky.	...do...	June 20	June 22
Petersburg, Va.	Camp Lee.....	Rhinehart & Dennis Co. (Inc.) Charlottesville, Va.	June 8	June 18	June 20
Rockford, Ill.	Camp Grant.....	Bates & Rogers Construction Co., Chicago, Ill.	June 21	June 21	June 24
Wrightstown, N. J.	Camp Dix.....	Irwin & Leighton Co., Philadelphia, Pa.	June 2	June 14	June 12
Yaphank, L. I.	Camp Upton.....	Thompson-Starrett Co., New York, N. Y.	June 18	June 23	June 21
<b>NATIONAL GUARD CAMPS.</b>					
Alexandria, La.	Camp Beauregard.	Stewart-McGhee Construction Co., Little Rock, Ark.	July 12	July 17	July 23
Anniston, Ala.	Camp McClellan.	J. O. Chisholm & Co., New Orleans, La.	June 21	June 18	July 20
Augusta, Ga.	Camp Hancock.....	T. P. Brown & Son, Augusta, Ga.	...do...	July 18	July 19
Charlotte, N. C.	Camp Green.....	Consolidated Engineering Co., Baltimore, Md.	July 12	...do...	July 20
Deming, N. Mex.	Camp Cody.....	J. W. Thompson, St. Louis, Mo.	June 11	...do...	Do.
Fort Sill, Okla.	Camp Doniphan.	Seldon-Breck Construction Co.	...do...	July 17	July 25
Fort Worth, Tex.	Camp Bowie.....	J. W. Thompson, St. Louis, Mo.	...do...	July 18	July 24
Greenville, S. C.	Camp Sevier.....	Gallivan Building Co., Greenville, S. C.	June 21	...do...	July 16
Hattiesburg, Miss.	Camp Shelby.....	T. S. Moudy & Co., Chattanooga, Tenn.	July 12	...do...	July 21
Houston, Tex.	Camp Logan.....	American Construction Co., Houston, Tex.	June 11	...do...	July 24
Linda Vista, Calif.	Camp Kearney.....	W. E. Hampton & Co., Los Angeles, Calif.	May 24	July 17	July 23
Macon, Ga.	Camp Wheeler.....	W. Z. Williams Co., Macon, Ga.	June 21	July 18	July 18
Montgomery, Ala.	Camp Sheridan.....	A. Blair, Montgomery, Ala.	...do...	...do...	July 20
Palo Alto, Calif.	Camp Fremont <sup>1</sup> .	Lindgren & Co., San Francisco, Calif.	June 30	July 26	July 24
Spartanburg, S. C.	Camp Wadsworth.	Fisk, Carter Construction Co., Greenville, S. C.	June 21	July 17	July 19
Waco, Tex.	Camp MacArthur	Fred. A. Jones Construction Co., Dallas, Tex.	June 11	...do...	July 20
<b>EMBARKATION CAMPS.</b>					
Newport News, Va.	Camp Stuart.....	Westinghouse, Church, Kerr & Co., New York, N. Y.	Aug. '3	Aug. 16	
Tenafly, N. J.	Camp Merritt.....	McArthur Bros.	Aug. 1	Aug. 1	Aug. 18

<sup>1</sup> Camp Fremont temporarily abandoned when construction work was 70 per cent completed.

*Names of contractors and date camp sites were approved, contracts executed, and work started—Continued.*

Location.	Name of camp.	Name of contractor and address.	Date camp sites were approved.	Date contracts were executed.	Date work was started.
QUARTERMASTER TRAINING CAMPS.					
Black Point, Jacksonville, Fla.	.....	A. Bentley Sons & Co., Toledo, Ohio.	.....	Sept. 25	Oct. 1
MISCELLANEOUS POINTS.					
Repair shop units, Camp Ordway, Washington, D. C.	.....	P. F. Gormley & Co., Wash- ington, D. C.	.....	Sept. 24	Sept. 27

(And thereupon the committee adjourned to meet at the call of the chairman.)

SUBCOMMITTEE No. 2 (CAMPS) OF THE  
SELECT COMMITTEE ON EXPENDITURES,  
IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
*Monday, December 29, 1919.*

The committee met at 10 o'clock a. m., pursuant to the call of the chairman, Hon. John C. McKenzie (chairman) presiding.

Also present: Hon. Roscoe C. McCulloch and Hon. Frank E. Doremus.

**TESTIMONY OF WILLIAM JAMES SAYWARD, OF THE FIRM OF  
EDWARDS & SAYWARD, ARCHITECTS, ATLANTA, GA.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. Mr. Sayward, please give your full name?

Mr. SAYWARD. William James Sayward.

Mr. McKENZIE. Where is your home, Mr. Sayward?

Mr. SAYWARD. In Atlanta.

Mr. McKENZIE. How long have you lived in Atlanta?

Mr. SAYWARD. About six years.

Mr. McKENZIE. What is your business or profession?

Mr. SAYWARD. I am an architect.

Mr. McKENZIE. How long have you been engaged in that business?

Mr. SAYWARD. I have been in active practice since about 1901.

Mr. McKENZIE. Would you object to telling the members of this committee something about your qualifications as an architect?

Mr. SAYWARD. Not at all. I was educated as an engineer primarily at the University of Vermont and from there I went to the Massachusetts Institute of Technology at Boston and took an architectural course there, and after that I went to New York and received five or six years' training with McKim, Mead & White, in New York, architects.

Mr. McKENZIE. Is that the White that was the great architect in New York?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. That lost his life?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Proceed.

Mr. SAYWARD. And after that I went to Seattle and practiced in association with Mr. W. R. B. Wilcox.

Mr. McKENZIE. Are you now a member of a firm or in business on your own account?

Mr. SAYWARD. No; I am in a firm, Edwards & Sayward.



Mr. McKENZIE. At Atlanta, Ga.?

Mr. SAYWARD. At Atlanta, Ga.

Mr. McKENZIE. You may state whether or not you had anything to do as an engineer in laying out of the plan for utilities or any other work in connection with Camp Gordon, or any other work.

Mr. SAYWARD. I was a member of the board of engineers for the selection of the cantonment at Atlanta.

Mr. McKENZIE. You may, if you will, in your way, tell us what you did in connection with that camp; what your duties consisted of.

Mr. SAYWARD. Well, our duties were to take data which was provided by the War Department, go over the various sites—in my own case I went over only one site—and see how applicable the requirements of an Army cantonment were to this particular site. That was the whole duty that devolved upon us.

Mr. McKENZIE. Then you passed on the question of the suitability of the location?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Or the unsuitability?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Did you recommend the location of the camp at Camp Gordon?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. What, if anything, did you have to do with the laying out of the plans for the utilities?

Mr. SAYWARD. Why, personally, I did not have a great deal to do with utilities.

Mr. McKENZIE. Well, your firm?

Mr. SAYWARD. There were three of us on the board, and that particular phase of it fell more naturally to Maj. Hazelhurst than it did to me. I was on for my connection with the architectural work; that is to say, I concerned myself more specifically with the buildings and the layout of them.

Mr. McKENZIE. Well, did you lay out the plans for the construction of the buildings—that is, the grounds?

Mr. SAYWARD. We took the data that was furnished us by the War Department, as I said, showing what the different units were to be; we took a typical layout of an Army cantonment, and then we laid out a plan which in our mind took care of it and covered the whole situation; that is, in order to show whether a typical Army cantonment could be adapted to that site. Of course, in doing that we had to lay out the cantonment to see whether it actually could be located there. Now, I do not know what deviations there may have been since then; there may have been deviations from our original plan, but we laid out one that seemed entirely feasible; the site seemed feasible.

Mr. McKENZIE. Now, you had the particular part of that work in connection with the shelter buildings and the hospitals and all other buildings in connection with it, so far as you personally were concerned?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. One of your associates had to do with the laying out of the plans for the utilities, such as water and light?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Now, how long were you engaged in that work?

Mr. SAYWARD. Well, as I recall, we received our appointment to this board, I believe, the 22d of May, and our report was in—well, there was some communication which was necessary with Col. Littell and certain officers in Washington which did not make our duties become operative just at that time; but our report was in on the 31st of May.

Mr. McKENZIE. Will you look that over [handing a book to the witness] and see if you can identify it?

Mr. SAYWARD. Yes, sir; I recognize that as the report.

Mr. McKENZIE. I want to have that identified as an exhibit.

(The book referred to is in black leather binder, labeled "Report on Silver Lake Cantonment Site, Dekalb County, Ga.," and was thereupon marked as "Exhibit A, W. J. S.")

Mr. McKENZIE. Will you please state the names of your associates on this committee?

Mr. SAYWARD. It was Mr. James Nisbet Hazelhurst, who was later made a major of Engineers, and Mr. G. R. Solomon, who later entered the service, I think, as captain.

Mr. McKENZIE. They were the two gentlemen who joined with you in this report?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. During this work?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. If I understood your statement, you say you were notified about the 22d of May by Gen. Littell?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. To do this work?

Mr. SAYWARD. Yes, sir. The letter of authorization was received May 29, 1917.

Mr. McKENZIE. And that on the 31st day of May you submitted the report which you have just examined?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Being a full report of your survey and outline of the camp?

Mr. SAYWARD. Yes, sir; that is the only report we ever made.

Mr. McKENZIE. I ask to have printed in the record the complete report, without diagrams, submitted by Mr. Sayward's committee, consisting of 17 sheets, identified as "Exhibit A, W. J. S." being dated May 31, 1917.

(The report referred to is here printed in full, as follows:)

#### EXHIBIT A, W. J. S.

#### REPORT ON SILVER LAKE CANTONMENT SITE, DEKALB COUNTY, GA.

[Examining board, Quartermaster Corps, United States Army. June, 1917. Members: James Nisbet Hazelhurst, Gabriel R. Solomon, members American Society of Civil Engineers; W. J. Sayward, member of American Institute of Architects.]

Acting under permission, the following were named as members of the board of examination: James Nisbet Hazelhurst (chairman), G. R. Solomon and W. J. Sayward, members; M. E. Brown, secretary.

The further record is as follows:

CHARLESTON, S. C., 1 p. m., May 29, 1917.

J. N. HAZELHURST, *Atlanta, Ga.:*

The general has definitely recommended the Silver Lake site and the site west of the city, each for one division. Board's report not completed. Officer will be sent to make layout as promptly as possible.

EVANS, *Adjutant General.*

ATLANTA, GA., 1.30 p. m., May 29, 1917.

ADJUTANT GENERAL,

*Southeastern Division, Charleston, S. C.:*

Advise more definitely as to which site west of city chosen soon as possible. Layout for Silver Lake site anticipated, and progress report sent to Col. Littell by personal representative Monday.

HAZELHURST.

CHARLESTON, S. C., 7.28 p. m., May 30, 1917.

JAMES N. HAZELHURST,

*Atlanta, Ga.:*

No site west of city selected. Advise you do not work, except on Silver Lake site, until definitely instructed.

LADUE, Engineer.

Since the date of first notification to this hour (7.30 p. m., May 31, 1917) 54 hours have elapsed, and the following is respectfully submitted:

## LOCATION.

What is known as the Silver Lake tract is an irregular body of land, situated in Dekalb County, Ga., consisting of some 2,258 acres, through which the double line of the Southern (Atlanta to Charlotte Division) Railway passes in a northeasterly direction, a distance of some 12 miles from the Government post-office building.

Upon the property are located the little towns of Cross Keys, Chamblee and the Oglethorpe University.

## TOPOGRAPHY.

The land within the Silver Lake tract is rolling, partly wooded, and well watered, three streams of considerable size flowing through the land to discharge outside of the property into the Chattahoochee River. These streams are, respectively, Nancy Creek and Little and Big Peachtree Creeks. Silver Lake, an artificial body of water of considerable extent, is located in the northwest section, lot 302.

## CANTONMENT SITE.

The location of the cantonment is principally in lots 279, 280, 270, 268, 296 and 299. The different regiments for one Infantry division will be located along a line of ridges with low ground between, and will cover approximately 700 acres.

## TRANSPORTATION.

The transportation by steam railroad is along the line of the Southern, Atlanta-Charlotte Division, double-tracked the entire distance.

The Georgia Railway & Power Co. have double trolley lines north of the city of Atlanta for several miles, reducing to single track for several miles more, with contract to extend the road to Oglethorpe University at an early day. From this point to Chamblee is 3 miles. The management of the trolley line has announced its intention of extending at once to the cantonment site with double tracks.

## HIGHWAY CONSTRUCTION.

Main traffic thoroughfares to be 40 feet in width, and to be built of three-course asphalt macadam, using the penetration method; roadways to be 12 inches in depth at the center with a crown of 2 inches in the width.

Intercommunicating roads to be built of three-course asphalt macadam, using the penetration method, to be 10 inches in depth at the center, with a crown of 2 inches in the width. Roads of lesser importance to be 20 feet in width, built of two-course asphalt macadam, 8 inches in depth at the center, with a crown of 1½ inches in the width.

The maximum grade will not exceed 4½ per cent and the amount of excavation necessary for this work, which approximates 12.8 miles of roads of all dimensions, is 208,000 cubic yards, approximately, and should be moved for 20 cents.

These roads to be built of the best material obtainable, the same being local, and to be placed upon a thoroughly compacted subgrade brought to true grade, and no artificial binder, such as clay, to be used in the construction. All stone used in this construction is figured at a price per ton on the cars at the nearest siding to the work. The local stone can be obtained quarried on the site of the camp and loaded on the cars for approximately 68 cents per ton. This stone is a good quality of granite.

The following are approximate estimates of the amount of work to be accomplished, and the prices per square yard for such work:

1. Tarvia, or equal:	
40 feet wide, 12 inches deep, 49,111 square yards, at \$1.05----	\$100, 677. 55
30 feet wide, 10 inches deep, 84,000 square yards, at \$1.92----	161, 280. 00
20 feet wide, 8 inches deep, 46,000 square yards, at \$1.845----	84, 870. 00
	<hr/> 346, 827. 55 <hr/>
2. Estimate of local contractor, asphalt macadam:	
40 feet wide, 12 inches deep, 49,111 square yards, at \$1.80----	88, 399. 80
30 feet wide, 10 inches deep, 84,000 square yards, at \$1.35----	113, 400. 00
20 feet wide, 8 inches deep, 46,000 square yards, at \$1.12----	51, 520. 00
	<hr/> 253, 319. 80 <hr/>
3. Asphalt macadam, penetration method:	
40 feet wide, 12 inches deep, 49,111 square yards, at \$1.98----	94, 788. 23
30 feet wide, 10 inches deep, 84,000 square yards, at \$1.845----	155, 980. 00
20 feet wide, 8 inches deep, 46,000 square yards, at \$1.76----	80, 960. 00
	<hr/> 331, 728. 23 <hr/>

#### HIGHWAY DATA.

The data on roadway required at the camp proposed for Silver Lake, as per plat, shows approximately 1,250,000 square yards, which includes the main roadway and intersecting roads. If figuring on 70 work days in which to lay a first-class penetration macadam, it would require about 5,000 tons of stone per day, which could be obtained from local quarries within 5 miles of the camp, not yet developed. Spur tracks to these quarries could be constructed.

A first-class bitumen of proper consistency can be had at approximately \$16 or \$17 per ton f. o. b. Atlanta. This work could be run in continuous shifts, day and night, thus obtaining the best organization and probably reducing the overhead cost.

Road equipment, etc., for handling this type of work at the required rate, is already in the vicinity of the camp site, or in the hands of local contractors, or in possession of the city of Atlanta and Fulton County. Should there be any delay due to rain, labor shortage, etc., the main road could receive the first attention.

In the interest of time the Government could build the main road, encircling the camp, as a permanent road, say 30 or 40 feet wide, and if necessary, the less important roads could be cared for by water-bound macadam, chert, or a lighter layer of crushed stone, which would take care of your temporary needs.

#### WATER SUPPLY.

Gaugings were made of North Peachtree (Big Peachtree) at the crossing of the creek with a public road on the Honed tract, lot 246, under the highway bridge, as illustrated. At this point there is a measured stream flow of 17½ cubic feet per second, May 24, 1917.

By comparison in October, 1904, this creek as at its lowest, with an estimated flow of 5 cubic feet per second, equivalent to 3,240,000 gallons per 24 hours.

The watershed above the point measured was 19½ square miles, measured from the Government topographic maps, the ratio being 1 cubic foot per second for each square mile of area.

Since a maximum of 2,000,000 gallons of water is to be provided, this stream may be relied upon to furnish the same, but if additional requirements are

made, a storage can be secured at small expense by a short dam bridging a "shut-in" just below the highway bridge.

#### QUALITY OF WATER.

Herewith is submitted the laboratory report of the bacteriologist employed by the city of Atlanta waterworks department, showing alkalinity 25 per million. Bacterial content exceptionally low for surface stream.

#### WATER-SUPPLY DEVELOPMENT.

Accompanying this report are photographic reproductions of design for the water-supply system Silver Lake Cantonment, with specifications covering intake, low-service pumping station, sedimentation basin, clear-water basin, high-service pumping station and filter house, chemical tanks, etc., together with specifications covering four gravity filter units of 500,000 gallons per 24 hours each.

#### REINFORCED CONCRETE WATER TOWER.

Included with report is the design for a reinforced concrete standpipe, of 100,000 gallons capacity. The dimensions are 20 feet in diameter by 50 feet in height. This standpipe is surmounted by a spiral stairway. A special feature of this design is a storage basin underneath the tank to which is connected a multi-stage, motor-driven centrifugal fire pump. The elevation of the base of this standpipe above the water level in the Peachtree Creek is 160 feet and the distance is measured as 9,685 feet.

#### FORCE MAIN.

To deliver the water from the pumping station to the standpipe, a 14-inch banded cypress-wood pipe line of the Wyckoff type is proposed.

The distribution system will consist of smaller mains and submains from 4 to 12 inches in diameter, to be composed of cast-iron bell and spigot or universal-joint pipe, or cement-lined pipe, all or each as may be most available.

The necessary control valves, together with hydrants and specials are to be provided.

#### HYDRAULIC MACHINERY.

The requirements are assumed as follows:

Two 2,000,000 per day centrifugal pumps pumping against 60-foot overall head direct connected to suitable 2,300-volt 3-phase motors, the above equipment being one pump for active service and one pump as reserve to handle raw water from creek to reservoir. The water will flow by gravity from raw-water reservoir to filter basin and thence to clear-water reservoir.

Clear water will be elevated to standpipe by two 2,000,000-gallon-per-day centrifugal pumps pumping against 250-foot head and direct connected to suitable 2,300-volt 3-phase motors.

There will be supplied two 750-gallons-per-minute electric-driven Underwriters fire pumps, including necessary fixtures, fittings, and attachments and direct connected to suitable 2,300-volt 3-phase motor.

#### PUMPING STATION AND FILTER PLANT.

At an elevation above high water of Peachtree Creek with sufficient head for gravity filters, there will be located a concrete coagulating basin 52 feet 4 inches by 80 feet 3 inches by 9 feet deep, with battered walls mixing chambers, baffle walls, and outlet weir; a concrete clear water weir 71 feet 6 inches by 41 feet by 11 feet pitched concrete slab roof of T-beam and column construction, with sod covering; brick building with slate roof, steel trusses, and chemical tower; pump and filter room, filters to be four gravity concrete filters of half million each with appurtenances; including a venturi meter with a 2,000,000-gallon motor-driven centrifugal wash pump.

#### FIRE HYDRANTS AND VALVES.

Located at suitable intervals throughout the cantonment site are to be 130 4-inch double-nozzle fire hydrant; for a proper control there shall be placed five 10-inch and twelve 6-inch gate valves.

## DISTRIBUTION SYSTEM.

Through the cantonment from the force main there shall lead 30,000 linear feet of 14-inch wood stave pipe with 7,500 linear feet of 6-inch lateral, to which are to be connected 4,238 feet of galvanized three-quarter to 1-inch service pipe.

## HIGH TENSION LINES AND TRANSFORMER STATION.

A 22,000-volt 3-phase 60-cycle circuit will be built from the hydroelectric circuit of the Georgia Railway & Power Co. to the transformer site, and on this site a steel structure, outdoor substation of approximately 800 kilowatts capacity will be erected, and the current here will be reduced to 2,300 volts for distribution.

## ILLUMINATION.

(a) *General*.—Street lights will be placed. These lamps (100-watt nitrogen-filled 6.6 ampere series lamps) will be controlled by an arc regulator in necessary switchboard house near high-tension transformer station. These lights will require approximately 50 kilowatts, and a total of approximately 400 lamps will be required.

(b) *Domestic*.—To handle the illumination of all buildings, 2,300-volt circuits will be constructed from high-tension transformer station, using the same pole lines as that carrying arc circuits. At suitable locations transformers will be installed to lower the voltage for 220-volt 3-wire system, and low-voltage bus line will handle the general distribution to the various buildings.

## TELEPHONES.

The cables of the Southern Bell Telephone & Telegraph Co. will be carried on the lighting pole line approximately 48 inches below cross arm carrying lighting circuits.

## TELEGRAPHS.

Telegraph lines will be on lighting pole line and will be carried on cross arm approximately 40 inches below cross arm carrying lighting circuit.

## SERVICE.

It is expected that the telephone cables will connect with branch telephone board serving necessary buildings, and that suitable telephone pay stations will be erected at points on the site. Telegraph lines will be brought to points as necessary for the Government, and it is contemplated that one or more public telegraph offices will be operated on the cantonment.

## SEWERS—SANITARY.

The trunk sewer system is as follows: Twenty-four-inch pipe, 800 feet; 18-inch pipe, 4,000 feet; 12-inch pipe, 6,800 feet; 10-inch pipe, 3,200 feet; 8-inch pipe, 5,000 feet; total pipe, 19,800 feet.

Manholes: Estimated, 1 every 400 feet, 60; average depth of sewers, 8 feet; average depth of manholes, 8 feet.

Material: Brick, 1,000 per manhole, 60,000; cement, 250 barrels; sand, 125 cubic yards; manhole covers, 50.

Pipe: Twenty-four-inch, 800 feet; 18-inch, 4,000 feet (for mains only); 12-inch, 6,800 feet; 10-inch, 3,200 feet; 8-inch, 5,000 feet.

## LATERAL SEWERS.

Within the bounds of the cantonment the following lateral sewers have been determined upon by the officer in charge of cantonment construction:

## SEWER DISPOSAL.

For the disposal of 2,000,000 gallons of sewage per day the following is recommended:

Treatment by means of Imhoff tanks and sprinkling filters. The main outfall from the cantonment will deliver the sewage to a grit chamber where

the harmless inorganic matters will be retained. The effluent will then pass into a two-story Imhoff tank consisting of settling chambers over sludge digestion chambers. These tanks will be of such size as to retain the liquid from two or three hours, and will have a sludge capacity adequate for about six months' storage.

From the Imhoff tanks the sewage will pass to doping chambers, from which it will be discharged by automatic siphons to the sprinkling filters. The filter bed will be approximately 1 acre in extent.

A sludge drying bed will also be provided, where the inorganic refuse from the Imhoff tanks will be first dried and then hauled away for use as fertilizer.

#### BUILDINGS.

There will be provided temporary buildings for mobilization camps, based on Tables of Organization, United States Army, 1914, for use either by Regular, Militia, or Volunteer troops, office of the Quartermaster General, June, 1916.

There are to be 926 of these buildings for all branches of the service, estimated as having a cubic content of 19,520,000 feet.

Based upon the experience of the Quartermaster Department in the matter of cost of construction of the reserve officers' training camp in the city of Atlanta, the unit cost of these buildings will probably amount to 5 cents for the majority of these buildings, the most expensive single buildings, the Y. M. C. A., cubing at 6 cents.

#### DRAINAGE.

Sufficient drainage will be provided where necessary to take care of the rainfall over the inclosed watershed, and will readily find its way to the forks of Peach Tree Creek, and generally be disposed of by surface drainage. At intervals along the roadway culverts or short bridges may be necessary, details to be worked out later.

#### SWIMMING FACILITIES.

On land lot 302 is located an artificial body of water, known as Silver Lake, occupying some 50 acres. The lake is fed by springs and small streams, and is now used as a resort for camping parties and for bathing.

It is believed that with proper protection an additional lake can be provided at small cost upon the W. J. Purcell property, land lot No. 260, by throwing a dam across the south fork of Peach Tree Creek at a "shut-in" where the creek breaks through the ridges.

#### CIVILIAN ACCOMMODATION.

The little town of Chamblee offers reasonable accommodations for such population, with room for a reasonable expansion.

#### GAS PLANT.

The distance from the Atlanta Gas Co.'s plant is approximately 12½ miles. This company is estimating the cost of high-pressure gas mains for delivery at the cantonment site.

In the event it is impossible for the company to supply these requirements the following is suggested: The erection of a suitable building and the installation of two producer water-gas sets, capable of manufacturing 50,000 cubic feet of fuel gas per day. With this would be required one steel tank 50 feet in diameter by 22 feet 4 inches deep and gas holder 48 feet 3 inches in diameter by 22 feet deep and capacity of 40,000 cubic feet per day. The usual meter and appurtenances would be required, together with gas mains from 4 inches to 6 inches in diameter, with the necessary appurtenances and connections. The site of this gas plant would be at the lowest elevation of the cantonment and not yet determined.

#### SUPPLEMENTAL.

*Ice plant.*—For ice-making and refrigerating purposes the following is recommended:

Two 30-ton raw-water ice plants. Average temperature of raw water, 66°; kilowatt hours per ton of ice, 72 (this includes 5 tons of refrigeration per 24-hour day used for cold storage). Connected load is as follows: One 125-horsepower



motor connected by rope drive to 30-ton Frick compressor, one 7.5 horsepower motor-driving brine pump, one 1-horsepower motor-driving pump, one 10-horsepower motor-driving pump, one 3-horsepower motor-driving pump.

*Fire protection equipment.*—The following is recommended: One hundred 3-gallon hand extinguishers (chemical), five 20-gallon wheeled chemicals, ten 500-foot capacity hose reels, 5,000 feet 2½-inch high-pressure fire hose, 20 play pipes, 20 shut-off nozzles, 30 combination spanner wrenches.

*Garbage disposal.*—In addition to the small destructors provided by each company commander, it is recommended that along the line of the railway and at convenient points, each brigade be served by an odorless garbage incinerator with capacity of 10 tons each.

#### APPROXIMATE ESTIMATE OF COST.

10 miles of railway track.....	\$200,000.00
12.8 miles highway construction.....	253,319.80
Water-supply development—Intake, dam, and connections.....	7,500.00
Reinforced-concrete water tower.....	10,000.00
Force main, 9,685 feet.....	19,370.00
Hydraulic machinery and motors.....	13,500.00
Pumping stations and filter.....	30,000.00
Fire hydrants and valves.....	4,000.00
Distribution system.....	88,828.00
High-tension lines and transformer station.....	No charge.
Illumination.....	50,000.00
Sanitary sewers, trunk lines.....	25,000.00
Lateral sewers, with cantonment boundary sewage disposal.....	140,000.00
Buildings.....	978,000.00
Drainage.....	10,000.00
Swimming facilities.....	5,000.00
Gas plant.....	45,000.00
Gas distribution system.....	15,000.00

Engineering expense, 5 per cent.

Incidental and contingent expense, 15 per cent.

Contractors profit included in above. Final approximate estimate.

The foregoing is respectfully submitted and examining board asked to be discharged or given further assignment to duty.

Respectfully,

EXAMINING BOARD, QUARTERMASTER CORPS.  
JAMES NISBET HAZELHURST, *Chairman.*

Mr. McKENZIE. Now, you also spoke of an outline—a typical outline of a cantonment being furnished to you by the War Department?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Just what was the character of that; was it a map showing streets—

Mr. SAYWARD (interposing). It was a map quite similar to that first map that occurs in that report.

Mr. McKENZIE. And it was designated as "Layout"?

Mr. SAYWARD. Well, I presume that is the way it was. I haven't got the exact wording of it.

Mr. McKENZIE. Well, it was a type of layout that had been prepared in the War Department?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. What would you say, Mr. Sayward, about the extreme difficulty which has been spoken of at times of laying out the utilities in a camp of this character; would you say that it was a difficult job and would take a great deal of time?

Mr. SAYWARD. Well, of course, that is so dependent on the site that it is a pretty hard question to ask.

Mr. McKENZIE. Well, in camps such as Camp Gordon?

Mr. SAYWARD. In this particular case we discovered what seemed to us a feasible solution of the problem. Of course, not going into the working details; but it seemed entirely feasible, and a scheme which could be developed.

Mr. McKENZIE. Well, would you call it simple engineering or complicated? Would you rate it as a difficult—

Mr. SAYWARD (interposing). Not essentially difficult.

Mr. McKENZIE. To a man qualified as an engineer it would be a very simple matter, would it not, to go over the ground and lay out various plans for the utilities and shelter buildings?

Mr. SAYWARD. Well, I would not say it would be a simple matter, but I do not see how there would be any great difficulties to be overcome. It is just a matter of a certain amount of work; a certain amount of labor.

Mr. McKENZIE. Would you say that that work was of such a character that it would make it impossible for the Government to let any other form of contract than was known as the cost-plus contract?

Mr. SAYWARD. No; I would not say so. No, sir.

Mr. McKENZIE. Do you believe that it would have been possible—now, speaking with your knowledge as an architect and engineer—for the Government to have let either a lump-sum contract or a contract so much per unit to a contractor, and then had the engineers go on the ground and make a survey and start the cantonment?

Mr. SAYWARD. Well, I think this might have been done: I think it would have been rather difficult to have let the contract on such data as there was there. Of course, it would have been possible, but I think it might have been done in this way: That certain phases of it could have been segregated and let at what you might term unit prices.

Mr. McKENZIE. In other words, the shelter buildings could have been let so much per unit, could they not?

Mr. SAYWARD. I think they might have been.

Mr. McKENZIE. At so much a cubic foot, or so much a building?

Mr. SAYWARD. Well, I should say probably they might have been let per unit. If the Government had a certain standard type of building that was acceptable, there might have been a lump sum which would have covered a certain definite number of units.

Mr. McKENZIE. Taking one as a basis on which to base the contract?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Of course, if the Government had desired to make that form of contract, they would have had at least one type of the various kinds of buildings to submit to the contractor upon which to get a bid; upon which he could bid. That would have been a very easy thing to do, would it not?

Mr. SAYWARD. I think so.

Mr. McKENZIE. Would there have been any difficulty in the Government's letting a contract to build utilities such as sewer, water, and telephone lines, by lump-sum or per unit; can you see any difficulty in the way?

Mr. SAYWARD. Well, as I said before, I do not see how they could have done it immediately on the submission of this report, but I think it could have been arranged so that they could have done it—

not as a whole, perhaps, but in segregated units, and left the more difficult parts for subsequent study.

Mr. McKENZIE. Of course, we are aware of the fact that in almost all of these camps and cantonments it was not all done under one contractor; it was sometimes under seven or eight contractors; one man had a contract for one character of work, and another for another, and then very often the same character of work would be given to a second contractor to complete; one of the contentions of the cost-plus contract advocates is that no one knew how much had to be done, and therefore it could not have been gotten at by the lump sum; but, being all of the same character of work, it is the contention of some of the members of this committee that the Government could have done it per unit, and I am simply asking you if you feel that that could have been done?

Mr. SAYWARD. I believe—

Mr. McKENZIE (interposing). Or if you feel that that could have been done safely?

Mr. SAYWARD. In broad terms I should say so.

Mr. McKENZIE. What form of contracts do you use in your firm, as a rule?

Mr. SAYWARD. Why, we almost invariably use the lump-sum contract.

Mr. McKENZIE. What is your judgment of the soundness of the cost-plus contract, so far as the Government is concerned?

Mr. SAYWARD. Why, I think there is no doubt at all but that the lump-sum contract is far superior to the cost-plus method. If it is good for a private individual, I do not see why it is not for the Government.

Mr. McKENZIE. As an experienced architect and builder would you recommend or condemn the cost-plus contract system?

Mr. SAYWARD. Why, in broad terms I would condemn the cost-plus system.

Mr. McKENZIE. Could you give us any reason why you feel that way about it?

Mr. SAYWARD. Why, to put it in perhaps the language of the street, it simply takes the lid off all sorts of prices and develops great uncertainty; that is the principal objection, in my opinion.

Mr. McKENZIE. I want to ask you another question: After all, is it a contract at all, or is it simply the employment of an agent by the Government to spend its money?

Mr. SAYWARD. I don't see how it is a contract if a man is not bound to perform certain duties for a certain sum; it is a little problematical whether it is a contract or not.

Mr. DOREMUS. I would like to ask the witness if he is testifying now with reference to the particular contract entered into for the construction of Camp Gordon, or generally?

Mr. SAYWARD. I am generalizing now.

Mr. McKENZIE. You know the character of contract that was used at Camp Gordon, I assume?

Mr. SAYWARD. I do, in a general way.

Mr. McKENZIE. You know that it was a cost-plus contract but all the details of that contract you are not familiar with?

Mr. SAYWARD. No, sir.

Mr. McKENZIE. Now, is there anything further, Mr. Sayward, that you would like to state in connection with this matter? Of course, we are looking for facts in connection with this, and if you think of any facts that you think would be of value to the committee, or to the country, we would be glad to have you state it.

Mr. SAYWARD. I suppose I might say perhaps just a word in regard to this last matter, the cost-plus, or lump-sum contracts, since that has been entered into. I conceived right from the start that it was a very hazardous system to get tied up with; that is, the cost-plus system. I think it is responsible in a measure for the high prices we have to-day. I think the sooner the country gets back to normal conditions as they were before the war—that is the lump-sum contracts—the sooner things will be stabilized.

Mr. McKENZIE. You feel that it has in a way demoralized the labor market?

Mr. SAYWARD. I know it has in the building industries.

Mr. McKENZIE. And the sooner we get away from that and get back to the doing of business in the old standard stabilized way the better it would be for the country, is that your judgment?

Mr. SAYWARD. It is, absolutely.

Mr. McKENZIE. I don't know, Mr. Sayward, whether you are aware of the fact that there seems to be a movement on foot in this country, or rather it may be termed a sort of propaganda; it has come to my attention, and I presume to a great many other men, that there is an effort being made to continue this system of contracting, and to have it made applicable in private contracting and in civil life—the cost-plus system I am speaking of now—and articles have been written and statements made by men of considerable standing, pointing out the advantages and beauties of this system of contracting. Do you feel that it is the duty of the people of this country in responsible positions, so far the Government is concerned, to head that off at the earliest possible date?

Mr. SAYWARD. Why, so far as the Government is concerned, I would say yes.

Mr. McKENZIE. And do you know of any particular movement among responsible contractors within your acquaintance who are advocating or insisting upon the continuation of this system of contracting, or form of contracting?

Mr. SAYWARD. Oh, yes; I know of quite a good many who will take the cost-plus contracts as long as they can get it.

Mr. McKENZIE. What is the reason for that, if you can give it?

Mr. SAYWARD. It is, of course, a matter of self-advantage. That some who feel that it solves the matter of uncertainty to them: of course, it does not solve it to the owner. It seems to be a matter of who shall carry the bag, whether the contractor or the owner.

Mr. McKENZIE. Is that idea prompted by the desire of men of perhaps small capital, or it might be even large capital, engaged in the contracting business, who, in order to play safe and take no chances whatever and be sure of their profits regardless of cost to the owner—is that the motive behind it?

Mr. SAYWARD. Why, I should say so; yes; so far as I see it. Of course, there is at the present day a good deal of uncertainty in the building industry as to what shall be paid labor, and so on, and you

can easily see that the man, if he has a small amount of capital, does not want to risk it all in an uncertain venture, and that leads him to favor that sort of contract at the present time.

Mr. McKENZIE. It is true—and you can speak by experience—that the real contractors of the country have heretofore and are now willing to take what we call a gambler's chance on a job of work, and they always have taken that chance, did they not?

Mr. SAYWARD. Somebody has to take it, and if the contractor does not, the owner does. And that, in my opinion, is one of the chief functions of the contractor; he understands the business, and he is willing to relieve the owner of it for a consideration.

Mr. McKENZIE. And the so-called cost-plus system would relieve him of only one thing; he would still have to have his equipment, but he would still have to have a fee for doing the work?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. In other words, you expressed it very clearly when you started first to testify in regard to this contract; it simply takes the lid off in regard to these contracts?

Mr. SAYWARD. Yes, sir.

Mr. McKENZIE. Mr. Doremus, do you want to ask him any questions?

Mr. DOREMUS. Mr. Sayward, I am anxious to get an idea what you mean by taking the lid off?

Mr. SAYWARD. Why, I have heard it spoken of so many times by different contractors that had done work for me as soon as the men discovered, for example, that it was a cost-plus job, that they would not be nearly so anxious to perform as they would be if they thought the contractor was going to stand the loss of their idleness.

Mr. DOREMUS. Well, you are speaking now of the effect that the cost-plus contract had upon the men who were employed upon the job. Is that correct?

Mr. SAYWARD. Yes; upon everybody. Of course, it is no more than human, I expect, for anyone, contractor or laborer or whatever he may be, if he feels that he hasn't some definite thing at stake, to be a little more slack in his movements than he would otherwise be.

Mr. DOREMUS. I understood you to say in answer to a question by Mr. McKenzie that the cost-plus contract had seriously disturbed labor conditions in the United States. Am I correct about that?

Mr. SAYWARD. Why, I believe so. I believe that absolutely.

Mr. DOREMUS. You are referring now to labor conditions as they exist at the present time?

Mr. SAYWARD. I referred more particularly to the building industry, that I come in contact with.

Mr. DOREMUS. And you attribute a large part of the present disturbed condition of the building trades in this country to the adoption of the cost-plus contract?

Mr. SAYWARD. I believe so; yes, sir.

Mr. DOREMUS. And do you think that the war itself had very much to do with those conditions?

Mr. SAYWARD. You mean the matter of high prices?

Mr. DOREMUS. Yes; high prices of labor.

Mr. SAYWARD. Why, that is a question of economics; but, in my opinion, I think, of course, that the war did.

Mr. DOREMUS. Do you think the fact that we drafted over 4,000,000 men into the military service of this country had any effect upon labor conditions?

Mr. SAYWARD. Yes, sir.

Mr. DOREMUS. Do you think the fact that in Europe production has been largely curtailed, thus casting an additional strain upon our own industrial resources, has had anything to do with the present conditions?

Mr. SAYWARD. Yes; very much.

Mr. DOREMUS. To just what extent do you think the adoption of the cost-plus contract for the building of these 16 cantonments is accountable for the present disturbed conditions of the buildings trades?

Mr. SAYWARD. Well, that is a pretty hard question; I do not know how to answer that.

Mr. DOREMUS. I can make the question general; the witness has testified that he thought the present conditions in the buildings trades is largely due to the cost-plus contracts during the war; I am anxious to ascertain, if I can, from the witness to what extent he thinks the adoption of the cost-plus contracts during the war contributed to the conditions as they exist.

Mr. SAYWARD. Congressman, I will say this: That during the construction of these camps, I think I am conservative in saying, that the great majority of construction work was under Government officers; I think I am correct in that; that is to say, the great majority of men—the laborers engaged in building trades—were under conditions where they could feel that there was no lid on; that they could get whatever they might be inclined to go after; and, consequently, the great majority of those men actually received a very large increased wage, which they were unwilling to drop when the unusual conditions were over. To that extent it would seem that it did have a very profound influence on conditions.

Mr. DOREMUS. What would you say as to whether the general level of the prices of everything in the world to-day have anything to do with the cost of high prices of labor?

Mr. SAYWARD. Well, we are starting to run around the circle when we try to find out what is really at the start of it. Of course, the laborer will say that he has to have more because he has to pay more for his groceries, and the grocer has to get more because of other things, and so on.

Mr. DOREMUS. Do you believe seriously, Mr. Sayward, that if we had not adopted the cost-plus system during the war that labor would be much lower to-day than it is?

Mr. SAYWARD. I believe it would be somewhat lower; to what extent, that is, of course, entirely problematical.

Mr. DOREMUS. You realize, of course, that the war brought about abnormal conditions in every line of activity?

Mr. SAYWARD. Yes, sir.

Mr. DOREMUS. And that these abnormal conditions continue to a large extent even up to the present time?

Mr. SAYWARD. Yes, sir.

Mr. DOREMUS. Do you know whether the Government is now letting many contracts under the cost-plus system?

Mr. SAYWARD. No; I don't know that.

Mr. DOREMUS. Assuming, for the purpose of the question, that the Government is not letting cost-plus contracts to any considerable extent at this time and has not since the war; what can you say as to whether the cessation of that class of work should have had any appreciable effect on labor costs now?

Mr. SAYWARD. Well, I can not see how it would be otherwise. As long as you let a lump-sum contract there is a continued pressure on the contractor to keep prices as low as possible; that is, in distinction to what they were before when, as I said, the lid was taken absolutely off. The contractor had no incentive to keep prices down.

Mr. DOREMUS. Now, let us assume for the purpose of the question, when the war ceased the lid was put on again; now, has that affected the prices of labor?

Mr. SAYWARD. Why, I certainly think it is influencing it.

Mr. DOREMUS. Has there been any reduction in the prices of labor as a result of that?

Mr. SAYWARD. I have noticed a little difference in our part of the country.

Mr. DOREMUS. You speak now with particular reference to Atlanta?

Mr. SAYWARD. Yes; and that vicinity.

Mr. DOREMUS. Are wages lower in Atlanta now than they were six months ago?

Mr. SAYWARD. I don't think that there has been very much influence because we are only assuming that that has been the case.

Mr. DOREMUS. As I understand it, Mr. Sayward, you never examined the contract that was made for Camp Gordon, have you?

Mr. SAYWARD. No, sir; I never have.

Mr. DOREMUS. Do you know when work was started on the camp?

Mr. SAYWARD. I beg your pardon?

Mr. DOREMUS. When was the work started on the camp?

Mr. SAYWARD. I haven't the dates in my head, but I should say along in August; that is when I should guess it off.

Mr. DOREMUS. Can you give the committee, approximately, an idea of the size of that cantonment?

Mr. SAYWARD. Well, I think if you will refer to our report there it gives it pretty closely; I do not recall it.

Mr. DOREMUS. Can you tell us from your recollection?

Mr. SAYWARD. No, sir; I don't believe I could. It is a tremendous thing.

Mr. DOREMUS. Do you know how many acres there were in the site?

Mr. SAYWARD. I don't recall that; no, sir.

Mr. DOREMUS. Do you know how many buildings there were?

Mr. SAYWARD. No, sir; I could not tell you that now.

Mr. DOREMUS. Do you know how many soldiers were quartered there at any time during the war?

Mr. SAYWARD. Well, it was expected at one time—I think when we were working on it it was expected there would be two divisions there.

Mr. DOREMUS. That would be how many men?

Mr. SAYWARD. I am not enough of a military man to know just how many, but I should say in the vicinity of 60,000; that is my impression.



Mr. DOREMUS. Sixty thousand?

Mr. SAYWARD. Sixty thousand.

Mr. DOREMUS. Then it is a very large cantonment?

Mr. SAYWARD. Yes, sir.

Mr. DOREMUS. And you say work was started some time in August?

Mr. SAYWARD. That is just guessing it off; I do not recall, it is so long back.

Mr. DOREMUS. Do you know when the work ceased?

Mr. SAYWARD. I do not know that specifically. I had really nothing to do with it after I was dismissed from the committee.

Mr. DOREMUS. How far is this cantonment from Atlanta?

Mr. SAYWARD. It is about 15 miles.

Mr. DOREMUS. Then you are not in position to give the committee an intelligent answer to the question as to whether the work was completed within a reasonable time?

Mr. SAYWARD. No, sir; I don't think I am.

Mr. DOREMUS. You are a practical builder, Mr. Sayward?

Mr. SAYWARD. Well, technically speaking, I am an architect, as differentiated from a builder.

Mr. DOREMUS. Have you ever taken any contracts for construction on your own account?

Mr. SAYWARD. No, sir.

Mr. DOREMUS. Were you familiar with the conditions in the labor market in the spring of 1917?

Mr. SAYWARD. That is, about the time—just preceding the cantonment work?

Mr. DOREMUS. Just after the United States entered the war.

Mr. SAYWARD. Yes, sir; well, I was in a general way, of course.

Mr. DOREMUS. Well, in a general way can you tell the committee what those conditions were?

Mr. SAYWARD. Well, around Atlanta, and I expect it is more or less true all over the country, there had begun at that time, not a stagnation, I would not say, but a dropping off in business. It was comparatively easy to get labor at reasonable prices; easy to get contractors to undertake a contract.

Mr. DOREMUS. You are speaking now of Atlanta or the building situation?

Mr. SAYWARD. Yes, sir. I have to speak of what I really came in contact with. I am speaking not of Atlanta alone, but of the South-eastern States.

Mr. DOREMUS. Do you know anything about the conditions of the materials market at that time?

Mr. SAYWARD. Why, just in a general way I know it was—if that is what you have in mind, I should say it was on an average of perhaps half of what it is now; that is, the prices.

Mr. DOREMUS. What can you say as to the stability of prices at that time?

Mr. SAYWARD. As I look back upon it they certainly seem stable in contrast to what we have now.

Mr. DOREMUS. And you are testifying now with reference to the spring of 1917?

Mr. SAYWARD. Yes, sir.

Mr. DOREMUS. I think, Mr. Sayward, it was in May, 1917, that the Government decided to adopt the cost-plus system for the construc-

tion of these cantonments. At that time the sites had not been selected. Do you think that your experience and training as an architect qualifies you to pass upon the question of whether at that particular time the adoption of the cost-plus system was wise or unwise?

Mr. SAYWARD. Why, I know this, Congressman, that right through the whole business we have stood for the contract system, the lump-sum system in all our private work. Now, I felt at the time that it was entirely feasible for the Government work, and I have not altered my mind; I have not seen any reason to alter it since then.

Mr. DOREMUS. You think, then, that it would have been feasible and advisable, under all the circumstances as they existed in April, 1917, to have awarded these contracts on the lump-sum basis?

Mr. SAYWARD. Well, if you will let me answer that in this way—

Mr. DOREMUS (interposing). Answer it in your own way.

Mr. SAYWARD. I will say this, that of course we know that time was a considerable factor at that time. Now, I believe that progress could have been made just as well if certain items had been proceeded with under the cost-plus system, if you will, but the majority of items let under the lump-sum or unit plan. I believe that would have been feasible.

Mr. DOREMUS. It is your opinion, then, that a part of this work could have been done just as well under the cost-plus system and part of it under the lump-sum basis; is that correct?

Mr. SAYWARD. Yes; for this reason: Obviously there were certain things that had to move. Now, those things might have been proceeded with just as they were, but I do think that a great deal of the construction of buildings could have been done under the unit figuring.

Mr. DOREMUS. That was due to the fact, I assume, that the War Department had already prepared plans for the construction of these buildings?

Mr. SAYWARD. Yes, sir.

Mr. DOREMUS. What I am anxious to have you enlighten us on, Mr. Sayward, is whether at the time when the Government was required to determine what sort of system it would follow in the awarding of these contracts, before the time when even the sites had been selected, you think the adoption of the cost-plus system at that time was a mistake?

Mr. SAYWARD. Well, I think that my previous answer really is about as well as I can reply to that.

Mr. DOREMUS. I think that is all, Mr. Chairman.

Mr. McKENZIE. Even admitting the question just asked by the gentleman from Michigan on the original 16 cantonments is sound, is there any reason for continuing that same system after the rush work was over?

Mr. SAYWARD. Why, I don't see any, I am sure.

Mr. McKENZIE. Do you see any reason for continuing it?

Mr. SAYWARD. So far as I can see, time is the element that should have determined that, and I presume that is what seemed in the minds of those who had to decide it to be the deciding factor.

Mr. McKENZIE. That is the contention, that time was especially essential in the minds of the men who were in favor of the cost-plus system.

Mr. SAYWARD. Yes.

Mr. MCKENZIE. But it is a debatable question whether it was a matter of expedition or not. That is a matter that is to be determined from the evidence. But admitting, for the sake of argument, that time is the essence; that we had to get these things rapidly—and one of the oft-repeated statements is that, in order to save the lives of our boys and get them into the camps, it was necessary—admitting that to be true on the original 16 National Army cantonments and the 16 National Guard cantonments, that system would not hold good after we had those?

Mr. SAYWARD. I think not.

Mr. MCKENZIE. After the haste had been removed which was the vital element in this thing and upon which the argument was founded—and it is the most emphatic argument I have heard given for that form of contract—can you think of any other reason for the continuance of that form of contract?

Mr. SAYWARD. No, sir; I can not.

Mr. MCKENZIE. There is one question that I wanted to ask you that I had noted here, which was suggested to me by the question put by my colleague, Mr. Doremus, and that was in regard to the condition of labor at the time we entered the war. Immediately after the declaration of war, isn't it true that the building operations in this country, except in cases where it was imperative, came to a standstill?

Mr. SAYWARD. Well, there was a gradual reduction in building operations.

Mr. MCKENZIE. But I mean after we declared war on Germany—

Mr. SAYWARD (interposing). Yes.

Mr. MCKENZIE. What can you say of contractors in your section of the country; were there any of them that were anxious to get Government jobs, or were they all employed?

Mr. SAYWARD. I know there were quite a good many were anxious to get work.

Mr. MCKENZIE. Had they anything else to do practically; they were looking for Government work?

Mr. SAYWARD. Yes, sir.

Mr. MCKENZIE. And it was practically the big business of the country, so far as building is concerned, was the Government work?

Mr. SAYWARD. Yes, sir.

Mr. MCKENZIE. Now, on the question of labor, to my mind one of the demoralizing effects of the system was the fact that men were employed by the hundreds and thousands, according to the testimony, regardless of their qualifications for the character of work that they were to perform, and that, to my mind, is one of the demoralizing things on the labor of the country. What would you say to that? For instance, take a man that was a grocery clerk and put him on the job as a carpenter, and take a man that worked in a dry goods store, who would take a lead pencil and a saw and go to one of these camps and hire out as a carpenter; the demoralizing effect was on labor generally; and union labor at some of these camps, according to the testimony, protested against that and maintained that they could furnish skilled men to do this work and do it in less time, but they did not succeed in carrying out their desire along those lines; but men were hired, apparently indiscrimi-

nately in some of these camps; I do not say that is true of all, because we have not investigated all of them. What is your judgment of the effect of that sort of system on labor generally?

Mr. SAYWARD. Why, it can not be anything but demoralizing.

Mr. McKENZIE. Now, another thing I would like to ask your opinion about: According to the reports and according to our understanding of the reports of the Council of National Defense and the construction committee and the labor committee represented by Mr. Gompers, there was a sort of an understanding that the Government was to pay the union scale of wage in the community where the work was being performed by the Government. Now, whether or not it resulted in union labor men of a certain community where labor was not quite as high, for example, as at Atlanta, as it might be at Camp Grant, Rockford, Ill., and that labor union, knowing that to be the position of the Government, could easily say, "Our scale from such and such a date will be so much," and what would be the effect of that on the expense to the Government in your judgment?

Mr. SAYWARD. Do you mean to imply that union labor would say that they must have the same wage everywhere?

Mr. McKENZIE. I am speaking now of the policy laid down or notice given publicly by the Government and these construction agents that they were going to pay the union scale in the community where the work was being performed. Now, then, the question arises, Who is going to fix the union scale?

Mr. SAYWARD. Well, I think—

Mr. McKENZIE (interposing). Later on, and I think in fairness it should be stated that some of the construction division later will show that afterwards they had a sort of a commission that attempted to adjust these conditions. But viewing it from every standpoint, can you see anything but a demoralizing effect that the system had on the labor of the country?

Mr. SAYWARD. Well, I have always felt that the labor was demoralized by the conditions that they met there.

Mr. McKENZIE. What do you think the effect of that sort of a system had on the morale of the soldier boy that was drafted for \$30 a month to go and fight; in your judgment, do you think that would make him happy to think that he was fighting for \$30 a month and his neighbor across the street was getting \$8 or \$10 a day, perhaps, as a carpenter, when he had never driven a nail in his life before; what do you think of that?

Mr. SAYWARD. I know I heard some of them speak of it in that way.

Mr. McKENZIE. Did they speak of it favorably?

Mr. SAYWARD. Hardly.

Mr. McKENZIE. I think that is all. We are very much obliged to you, Mr. Sayward.

**TESTIMONY OF CAPT. ROBERT M. BRAMLITT, UNITED STATES ARMY.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Give your full name.

Capt. BRAMLITT. Robert M. Bramlitt.

Mr. McCULLOCH. You are now in the service?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Where is your home?

Capt. BRAMLITT. My mother lives in St. Petersburg, Fla. I have been in the Army for practically 20 years and stationed at different stations.

Mr. McCULLOCH. Will you detail briefly your Army service and when you entered the Army and the various capacities in which you have served?

Capt. BRAMLITT. I entered the service as an enlisted man August 1, 1899, and served until January 31, 1901; February 1, 1901, entered the Quartermaster Department as civilian clerk; afterwards an Army field clerk, Quartermaster Corps. I was called into the service as an officer of the reserve June 15, 1917.

Mr. McCULLOCH. As a captain?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Did you serve during the war?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And in what capacity did you serve during the war; that is, where did you serve?

Capt. BRAMLITT. I was first called to Portland, Oreg., in connection with the purchase of some subsistence stores; I had only been there for about 30 days when the War Department ordered me to Camp Lewis, American Lake, Wash.

Mr. McCULLOCH. How long did you remain there?

Capt. BRAMLITT. I remained there until about the 22d, I believe, of December, 1917.

Mr. McCULLOCH. Then where did you go?

Capt. BRAMLITT. I was ordered from Camp Lewis, American Lake, to Camp Johnston, Jacksonville, Fla.

Mr. McCULLOCH. How long did you remain there?

Capt. BRAMLITT. From January 1, 1918, until about November 22, 1918.

Mr. McCULLOCH. Then where did you go?

Capt. BRAMLITT. The Chief of the Construction Division.

Mr. McCULLOCH. Where were you assigned?

Capt. BRAMLITT. Washington, D. C.

Mr. McCULLOCH. Came back to Washington; how long did you remain here?

Capt. BRAMLITT. In Washington until February 9, approximately, 1919.

Mr. McCULLOCH. Then where did you go?

Capt. BRAMLITT. To Camp Gordon.

Mr. McCULLOCH. How long were you at Camp Gordon?

Capt. BRAMLITT. I have been there since February 9 or 10.

Mr. McCULLOCH. And you are still stationed there?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, in your experience in the various departments have you had to do with the letting of contracts?

Capt. BRAMLITT. No, sir.

Mr. McCULLOCH. Did you have anything to do with the letting of contracts prior to the war?

Capt. BRAMLITT. Not exactly in that line. I will explain: As a clerk under Army officers, the contracts were let by Regular Army

officers; I drew up contracts; made the contracts and prepared them for the signatures of the Regular Army officers.

Mr. McCULLOCH. You did the detail work?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. In connection with the formulation of the contracts?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Putting it into form; is that right?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And afterwards the duty of letting the contract was in the hands of your superior officers?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, in connection with your work at Camp Lewis, what were your duties?

Capt. BRAMLITT. Supervising property and finance.

Mr. McCULLOCH. Now, in supervising property, what did that supervision consist of; just Government property or the work of a contractor at Camp Lewis, or just give us in a general way what your duties consisted of in the matter of supervising property?

Capt. BRAMLITT. Property that was shipped there—Government property—property that was purchased for the construction, and the accounting, making of the returns, vouchering, and that class of work.

Mr. McCULLOCH. Now, that was during the construction; is that right?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Who were you directly responsible to; who was your superior officer?

Capt. BRAMLITT. Lieut. Col. Stone.

Mr. McCULLOCH. Lieut. Col. Stone was the Constructing Quartermaster at Camp Lewis; is that correct?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And you were under him checking over the property, going over the vouchers, and so on; is that right?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. What, if anything, did you observe in regard to the construction of Camp Lewis that might be of interest to this committee in its investigations?

Capt. BRAMLITT. I would like to make a little statement there in connection with Col. Stone's directions to his officers: That was, that every officer that was with him was to visit all parts of the work as often as possible and to report to him everything that was observed out of the ordinary. During my time there I made a practice of visiting all of the works, seeing how everything went on, so far as I could; reporting anything that was not to my mind in accordance with the contract and, as it should be to Col. Stone; that at times took different officers out of their regular line of work, and under those conditions I was at times out on jobs that other officers were operating, merely as suggestions; one might see what another might not.

Mr. McCULLOCH. Did you regard the supervision that was exercised by Col. Stone of the Constructing Quartermaster, assigned to Camp Lewis, did you regard it as well done; was he a competent officer?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Having been assigned to Camp Johnston and Camp Gordon, as well as Camp Lewis, during the construction of the camps, were you in a position to observe and make a comparison as to the methods used in the various camps—those three camps?

Capt. BRAMLITT. The greater part of the work had been finished when I arrived at both camps.

Mr. McCULLOCH. You mean Lewis and Johnston?

Capt. BRAMLITT. No, sir; Camp Johnston and Camp Gordon.

Mr. McCULLOCH. Yes.

Capt. BRAMLITT. The first thing that struck me was materials. We were not receiving as high a class of lumber and other items that we had used in the construction of Camp Lewis.

Mr. McCULLOCH. You are making a comparison now among these three camps; is that correct?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. I wish you would just detail; just make a comparison that you desire to make, showing how the situation was different from Johnston and Gordon than it was from Camp Lewis. Now, you have mentioned materials; give us that distinction, in what way were the materials of an improper quality, and so on?

Capt. BRAMLITT. The lumber was found to be quite knotty and had many splits that we had not found at Camp Lewis.

Mr. McCULLOCH. What else did you observe in regard to other materials; anything else you want to bring to the committee's attention in that regard?

Mr. McKENZIE. I want to interject a question right there. Now, you saw the lumber at Lewis and Johnston and Gordon and you noticed the character of it; do you know whether there was a difference in prices paid at those various camps, whether we paid as much for the poor lumber at Gordon and Johnston as we paid for the good lumber at Lewis?

Capt. BRAMLITT. My recollection is that the lumber was settled in Washington for the construction as to the prices; the exact prices I am not able at this time to give.

Mr. McCULLOCH. Now, I wish you would make the comparisons as to quality; do you know as between No. 2 and No. 3, for instance; can you give us an idea as to the quality, referring to the grades?

Capt. BRAMLITT. Yes; I believe I can tell you the difference.

Mr. McCULLOCH. All right.

Capt. BRAMLITT. Lumber starts out by having certain grades as clear, free from knots, wind shakes, splits, and such like, and sap, and those grades are graded on down in accordance with the condition of the lumber as actually found.

Mr. McCULLOCH. Tell us the difference in the condition of this lumber at these various camps.

Capt. BRAMLITT. Well, there was lumber that was supposed to have been purchased at these various camps; for instance, No. 1, No. 2; but at those camps down here they were not as high a grade of that same standard as they were at Camp Lewis, in my opinion.

Mr. McCULLOCH. In other words, you think the Government got nearer what they contracted for at Camp Lewis than at Camp Johnston and Camp Gordon; is that right?



Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, what was the reason for that; was it due to the supervision of Col. Stone, or what was the reason for it?

Capt. BRAMLITT. My idea is that it was a better grade of lumber than was obtainable in the locality of Camp Lewis than possibly there was at these other camps I have referred to.

Mr. McCULLOCH. I wish you would tell the committee what, if anything, you observed as the comparative waste in the three camps; waste of materials?

Capt. BRAMLITT. There was waste in all camps of the construction of this size, or any construction, there is bound to be a certain percentage of waste. At Camp Lewis we had a normal small waste that did not amount to much, like the waste, as I see it at Camp Johnston and at Camp Gordon.

Mr. McCULLOCH. What, if anything, did you observe at Camp Lewis, making a comparison with those other two camps, in regard to labor conditions?

Capt. BRAMLITT. I don't exactly understand the question.

Mr. McCULLOCH. Well, was there any difference in the labor conditions at Camp Lewis than at Camp Johnston and at Camp Gordon; did the work progress with better supervision at Lewis than at Johnston and Gordon?

Capt. BRAMLITT. I was not at those two camps when the highest part of the construction was going on, Camp Johnston and Camp Gordon. The construction work was practically all over when I reached those two camps.

Mr. McCULLOCH. Can you tell the committee anything about the workmanship; your observation as to the results?

Capt. BRAMLITT. That would be difficult, unless it was pointed out. Going over the buildings you can see some small cases; at Camp Johnston there was one small illustration I recall, that numerous nails were driven where it really was not necessary, and the question arose as to why that occurred. Of course, this had happened prior to my going there. I was informed that men were working on that building—that is, a great many more men working on that building than were necessary, and they were in the way of each other.

Mr. McCULLOCH. You don't know that of your own knowledge?

Capt. BRAMLITT. I don't know that of my own knowledge, except that I could see that nails were placed in some instances that were not necessary.

Mr. McCULLOCH. Did you observe anything else in those camps that appeared to be work done in an improper manner?

Capt. BRAMLITT. As to the improper manner, there were things done at those camps that were not as called for in the specifications or in the instructions that we had. We had to deviate from some things, and that was necessary on account of the kinds of material that we had. We had, as an illustration, at Camp Lewis, at one time we did not have rafters of sufficient length; we had to splice them, and you could find other cases throughout the construction where at the time it became necessary to deviate.

Mr. McCULLOCH. I wish you would tell the committee whether in your opinion, and in the light of your experience, the construction quartermaster could have constructed the camp at Camp Lewis without the intervention of a contractor?

Capt. BRAMLITT. Not unless he would have been able to have had the cooperation of several contractors as a beginning point to start from.

Mr. McCULLOCH. Will you tell us about that; what about the beginning point to start from; beginning point to start to build the first building, is that right?

Capt. BRAMLITT. No, sir; it takes a certain amount to start in a job.

Mr. McCULLOCH. You mean labor?

Capt. BRAMLITT. No, sir; I don't mean labor; I mean men that understand what is to be done; men of experience. In other words, foremen and superintendents and electricians; men that have got to know the layout.

Mr. McCULLOCH. Well, do you say that it would be impossible for the Government with a complete force such as they have to commission men to bring them into the service who would be able to perform this work as foremen; that it would be impossible for the Government with its facilities they had to get together such an organization?

Capt. BRAMLITT. No, sir; it is not impossible.

Mr. McCULLOCH. If such an organization could have been gotten together, either by enlisting the men or commissioning them, and get them as superintendents and foremen or hiring them, would it have been possible for a man of Col. Stone's experience and ability to have conducted that work without the intervention of a contractor if he had had the organization?

Capt. BRAMLITT. Yes, sir; it would have been possible.

Mr. McCULLOCH. What do you say as to whether or not it would have done more expeditiously or less so, under the conditions at Camp Lewis?

Capt. BRAMLITT. My opinion is that having an organization to start with you work more rapidly and you can complete a job sooner by having organizations of the character that we had, rather than to try to organize a force to begin with.

Mr. McCULLOCH. Well, of course, that is not an answer to my question. Given an organization, what do you say about whether or not a man of Col. Stone's ability could have put the work through more expeditiously, or less so, than it was done by the contractor under the cost-plus contract?

Capt. BRAMLITT. It could have been done; but as to whether it could have been done in the same period of time is a question I would be unable to say.

Mr. McKENZIE. As I understand you, Captain, the contract for the construction of Camp Lewis was let to local men; that is, men living at Seattle and thereabouts?

Capt. BRAMLITT. Yes, sir; it was.

Mr. McKENZIE. Now, of course, if those contractors having their organization had refused to turn them over or hire them out to Col. Stone, of course, it would have handicapped him; but wouldn't it have been possible for Col. Stone to have employed the entire organization that had been built up by those contractors inasmuch as they were seeking employment for their men and it was of interest to them to keep their organization together; wouldn't that have been possible?

Capt. BRAMLITT. Yes, sir; it would have been possible, but as to whether or not it would have been done as soon as by having this organization already to step in and begin work.

Mr. McKENZIE. I am assuming now that Col. Stone had simply gone to these men and said, "Now, I want to hire your whole organization and put them on this job"; the only thing that would have defeated his purpose, as Mr. McCulloch is trying to bring out, is he would have said, "No; you can't have my organization."

Capt. BRAMLITT. That is all.

Mr. McKENZIE. Then he would have had to make a new organization. But Mr. McCulloch is trying to bring out that if he could have hired the whole organization, which was seeking employment for their men—which is evident from the fact that they wanted this contract—and he could have put them on as foremen and superintendents, and in that way saved the fee of the contractor?

Capt. BRAMLITT. That could have been done.

Mr. McKENZIE. Now, while I am on that, I want to ask you one question that is not pertinent here, but I want to inquire of you, were you there during the entire construction of Camp Lewis?

Capt. BRAMLITT. The original construction, yes sir; there might have been some work done after I left there.

Mr. McKENZIE. Now, I want to ask you a question about the contractor in connection with that camp. It has been stated that the original contractor—I have forgotten the name now——

Capt. BRAMLITT (interposing). Hurley-Mason.

Mr. McKENZIE. Yes; Hurley-Mason—proceeded with the work until they got up to a certain point, and then they ceased and another contracting firm was organized, including some of the same men who were connected with the Hurley-Mason concern, who simply took over the work and went on with it, using the same organization that Hurley-Mason had on the job, simply carrying it on under another organization, and got another fee. Can you verify that?

Capt. BRAMLITT. That happened after I left there, if it happened at all. Col. Stone turned over all buildings to the commanding general as complete, with the exception of a small portion of roads, and he considered that they had finished the original construction on Camp Lewis.

Mr. McKENZIE. Well, up to the time you left, you do not know that there had been a reorganization of the old company under a new name?

Capt. BRAMLITT. No, sir.

Mr. McCULLOCH. The point I wanted to get your view one, Captain, is whether or not, if the Government had the organization, with sharp, keen Army officers there to supervise and look after the Government's interests, if the Government would not have been able itself to have constructed the camps without the intervention of a man such as the contractor who claimed a fee of \$250,000, more or less, for furnishing an organization?

Capt. BRAMLITT. I personally believe that that fee could have been eliminated by officers doing the work.

Mr. McCULLOCH. That is just the point I wanted to make. Now, having made that statement, how do you arrive at that conclusion? Do you arrive at it because you believe that there was in the Constructing Quartermaster's Department men of sufficient ability to go ahead with a project, if they had the organization?

Capt. BRAMLITT. Yes, sir; I think they had men of that ability, as proven at Camp Lewis, to my mind.

Mr. McCULLOCH. It would be a sad commentary upon the efficiency of our Government if we did not have them, wouldn't it?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And you believe, and you say that was proven to you at Camp Lewis; I wish you would tell the committee how it was proven to you?

Capt. BRAMLITT. Well, first you take the men that were in charge of the different lines of work demonstrated that question that they were capable of carrying their parts, whichever they had assigned to them, in a satisfactory manner, that they could have carried on if it had not been under a contractor?

Mr. McCULLOCH. Do you think it would have been done in a more satisfactory manner than under a contractor?

Capt. BRAMLITT. That would have been a pretty hard question to answer, not having seen both sides.

Mr. McCULLOCH. The effect of it, however, would have been to eliminate the fee given, if it was equal?

Capt. BRAMLITT. It would have eliminated the fee; that would have been certain.

Mr. McCULLOCH. If the United States had developed organizations in the construction of the first camps and equipment, is there any reason why the additional and subsequent construction could not have been done by the Army organization?

Capt. BRAMLITT. I don't see any reason why it should not.

Mr. McCULLOCH. Now, Captain, going directly to Camp Johnston, who was the contractor at Camp Johnston?

Capt. BRAMLITT. There were two contractors there, the A. Bentley & Sons Co. and J. Y. Wilson & Sons, or J. Y. Wilson & Co. The Bentley & Sons Co. was the name of the other.

Mr. McCULLOCH. How long were you there during the operations of A. Bentley & Sons Co.?

Capt. BRAMLITT. When I arrived there the A. Bentley & Sons Co. had about completed their work. There were a few odds and ends of items that they were still working on.

Mr. McCULLOCH. How long did they remain after you got there?

Capt. BRAMLITT. They kept an organization there for practically six months.

Mr. McCULLOCH. What was the organization doing?

Capt. BRAMLITT. Very little.

Mr. McCULLOCH. By an organization what do you mean, Captain?

Capt. BRAMLITT. General superintendents, superintendents, and foremen; men in charge of transportation—superintendents of transportation and office force.

Mr. McCULLOCH. As I understand you, you mean to say that this organization, consisting of the various elements you have detailed here, probably with some additions, was on the job for about six months after you got there?

Capt. BRAMLITT. My recollections were that they went out in June.

Mr. McCULLOCH. When did you arrive there?

Capt. BRAMLITT. I arrived there the 1st of January, 1919.

Mr. McCULLOCH. Now, from that time what did they do; you say, very little, if anything; now, what was the "anything"?

Capt. BRAMLITT. Most of the lines was along the lines of operations and upkeep of utilities.

Mr. McCULLOCH. Well, was that kind of an organization necessary on that job at that time?

Capt. BRAMLITT. I don't think so.

Mr. McCULLOCH. Did you at any time make known your views upon that subject to any of your superior officers?

Capt. BRAMLITT. In connection with that let me state that upon my arrival there there was considerable contention between the officers and the contractor and Maj. Wheeler who was in charge of the construction; it happened a few days before I arrived.

Mr. McCULLOCH. Maj. Wheeler represented the constructing quartermaster?

Capt. BRAMLITT. Yes, sir; he was the constructing quartermaster. Maj. Wheeler had had a conference with these officers and I was told that Mr. Bentley had advised Maj. Wheeler that he was operating and running the job; Maj. Wheeler informed his officers that they should not interfere with the construction, and the very words that were used at that meeting were taken down by one or two of the officers.

Mr. McCULLOCH. Who?

Capt. BRAMLITT. Lieut. Vaughn was one, and Lieut.—I can not recall the other lieutenant's name now.

Mr. McCULLOCH. You could find out if we wanted to know about it?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now continue with your statement?

Capt. BRAMLITT. As I had not been sent there on the construction and my duties were taken up toward making up the property accounts for the entire job, which had been neglected. I spent probably the first month altogether in connection with those accounts, getting the stenographers and I had several typists making up the vouchers. I had to make up the complete vouchers from the beginning all the way through. In other words, complete property returns.

Mr. McCULLOCH. The work having been neglected, were you able to do it in as efficient a manner as it could have been done if taken care of from day to day and week to week and month to month?

Capt. BRAMLITT. No, sir; that is not possible, to have done it as well.

Mr. McCULLOCH. What would the result of such neglect be as to increased cost to the Government?

Capt. BRAMLITT. It increased the cost to the Government for those additional employees that we had to hire to make up those accounts.

Mr. McCULLOCH. Would that situation have made it possible for the Government to have been cheated by padding the costs or otherwise; I am not now saying that it was done; I am asking you if that situation would make that possible?

Capt. BRAMLITT. The costs and the property are two different lines of accounting; there would have been a possibility of discrepancies in the property which I was making up having occurred, as the papers were not made up as they should have been made and having to wait until probably six months afterwards in order to start to make them up, and in order to do that we had to take the information from the vouchers that had been paid.

Mr. McCULLOCH. What was the reason that this work was neglected, if you know?

Capt. BRAMLITT. Incompetent field officers.

Mr. McCULLOCH. Well, the field officers were put on the job by someone; who put the officers on the job?

Capt. BRAMLITT. I am not able to state who put them on; I assume that the Chief of Construction did.

Mr. McCULLOCH. But you say they were incompetent and the work was not done, and you were called upon to do it six months after; you were called upon to do it as that late date; is that right?

Capt. BRAMLITT. Yes, sir; not only at Camp Johnston, but also at Camp Gordon; Camp Gordon extended over a year.

Mr. McCULLOCH. Dealing with the Camp Johnston situation first, what can you tell the committee, if anything, about Bentley's overhead expenses? The expenses of his superintendents and his office force; that which was taken care of by the Government?

Capt. BRAMLITT. Mr. Bentley had about the largest overhead expense in the way of office overhead expenses that I have ever seen in an organization.

Mr. McCULLOCH. Do you think it was necessary?

Capt. BRAMLITT. No, sir.

Mr. McCULLOCH. How do you account for such an organization being there that was unnecessary?

Capt. BRAMLITT. I am unable to say how that got there.

Mr. McCULLOCH. Going to another phase of the overhead, state whether or not to your knowledge, or did it come to your knowledge at any time that the force that was there was being used for private purposes or in the private interests of the contractor?

Capt. BRAMLITT. It would have been difficult for me to have known whether or not he was using men for other purposes.

Mr. McCULLOCH. What is your opinion upon the subject?

Capt. BRAMLITT. Toward the last of the leading job the matter was taken up as to dividing the services as between the shipyard and Camp Johnston, in view of the fact that the work at Camp Johnston was practically nil, they desired to utilize the services of certain men at the shipyards.

Mr. McCULLOCH. State whether or not any of the Bentley force to your knowledge while at Camp Johnston on the pay roll of the Government were used to solicit Shipping Board business?

Capt. BRAMLITT. I am unable to say whether they were or not.

Mr. McCULLOCH. Did you have at any time any knowledge on that subject?

Capt. BRAMLITT. No, sir; I did not.

Mr. McKENZIE. May I interject a question or two there? You have stated, Captain, that in your judgment there was an overhead there that was unnecessary?

Capt. BRAMLITT. Yes, sir.

Mr. McKENZIE. So far as the Government was concerned?

Capt. BRAMLITT. Yes, sir.

Mr. McKENZIE. That overhead was paid by the Government, was it not?

Capt. BRAMLITT. Yes, sir.

Mr. McKENZIE. Now, Bentley had no use for that overhead so far as the Government work was concerned, in your judgment, at times while you were there?

Capt. BRAMLITT. No, sir.

Mr. McKENZIE. If he were not using them for private purposes, for his own private purposes, then the only conclusion that a man can come to from that fact is that he had a large number of men on the pay roll of the Government for no purpose, isn't that true?

Capt. BRAMLITT. That was the way I put it when I put it up to Maj. Wheeler, the constructing quartermaster, that he had an organization there that was being paid by the Government that should be dispensed with, and in turn Maj. Wheeler informed me that he had taken it up with the Chief of the Construction Division, and the question at that time was the issue as to whether or not future work would be authorized at Camp Johnston, and on that account Bentley was holding his organization together, for the sole purpose of obtaining future contracts.

Mr. McKENZIE. It would not be fair to Mr. Bentley, a man of long years of experience in that line of business, to come to the conclusion that he was keeping them there through ignorance; that he did not know any better; he either had use for them there or somewhere.

Capt. BRAMLITT. Mr. Bentley was there; he saw it and he knew it.

Mr. McCULLOCH. State whether or not in your knowledge the fee paid Bentley at Camp Johnston reached the maximum of \$250,000.

Capt. BRAMLITT. My recollections were that it was just about the maximum. I left there before the final accounts had all been completed and final payments had been made. There were some questions that were at issue when I left there; among them was approximately \$19,000 shortage of equipment that Bentley could not account for.

Mr. McCULLOCH. Do you know what happened to that situation or question of the shortage; did he account for it finally or not?

Capt. BRAMLITT. No, sir; it never was accounted for.

Mr. McCULLOCH. Did he pay for it?

Capt. BRAMLITT. It was all on the survey; went forward to the chief of the construction division on that camp.

Mr. McCULLOCH. What was the recommendation?

Capt. BRAMLITT. The recommendation of the surveying officer, as I recall, was to the effect that certain items on that survey should be paid for by the A. Bentley & Sons Co.

Mr. McCULLOCH. Do you know whether he ever did pay for it?

Capt. BRAMLITT. No, sir; I do not.

Mr. McCULLOCH. You just know about the recommendation?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. If the fee did not reach the maximum of \$250,000, but was in fact \$240,000, is it possible that this organization was kept on this job for the six months that you have mentioned doing nothing in order that the contractor might have secured a fee upon the alleged services of this organization?

Capt. BRAMLITT. You say "nothing"; they were doing something. It was not a case of doing absolutely nothing. There was some work in operations and maintenance and upkeep of the camp that had to be carried on, and Maj. Wheeler was having it done through this contractor.



Mr. McCULLOCH. But you have said that it was unnecessary to have it done in that way; it could have been done in another way?

Capt. BRAMLITT. It could have.

Mr. McCULLOCH. And that the excuse given for maintaining this expensive organization by Wheeler was that they wanted to hold the organization together with the view of the construction division giving Bentley additional work; that they were being held there for the purpose of utilizing them later?

Capt. BRAMLITT. I repeatedly went to Maj. Wheeler and discussed this question with him, and also the reduction and cutting off of cars and trying to eliminate the expense as far as possible, and I had some success. There were some cars cut off. Some of the overhead expenses reduced, but it was not reduced, in my mind, to where it could have been.

Mr. McCULLOCH. Of course, Captain, all we want is the facts about it. It was your opinion that that organization was being kept there unnecessarily; isn't that right?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. It should have been reduced?

Capt. BRAMLITT. It should have been reduced.

Mr. McCULLOCH. And by being reduced the expenses of the Government would have been reduced?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. It was not reduced?

Capt. BRAMLITT. It was reduced, but not as much as it should have been.

Mr. McCULLOCH. The reason given by the Quartermaster Department for not reducing it was that they were holding the organization for future work; what was your opinion?

Capt. BRAMLITT. I did not know anything about any future work to be done there; we had no knowledge of work other than representatives of the Chief of the Construction Division visiting the camp and stating that such and such was contemplated, but outside of that I do not know anything definitely.

Mr. McCULLOCH. So that you can not see any reason for keeping them there?

Capt. BRAMLITT. No, sir.

Mr. McCULLOCH. And you so expressed yourself?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Thereby doing your duty as you saw it?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, what was your opinion, in the light of all the circumstances, as to why this thing continued after your protest?

Capt. BRAMLITT. I would be unable to place the responsibility as to who was responsible for it.

Mr. McCULLOCH. I think probably it is not quite fair to ask you, so I will not press that matter any further.

Mr. McKENZIE. Captain, I want to ask you at this point, do you know whether or not A. Bentley & Sons Co. did get any further contracts from the Shipping Board for any other governmental activity?

Capt. BRAMLITT. I was informed that they got one concrete ship afterwards in Jacksonville, Fla.

Mr. McKENZIE. That would be under the Shipping Board?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Could you tell the committee just briefly the circumstances in regard to the employment of Hollingsworth, the Bentley field superintendent, by the Shipping Board?

Capt. BRAMLITT. When I arrived at Camp Johnston and looked over the pay rolls, the first week I was there, I saw a number of men that were drawing unreasonable salaries, and among them was one Mr. Hollingsworth on the pay roll and having signed this pay roll at \$50 a day, and it struck me as being out of the ordinary. We were not accustomed to paying such rates at Camp Lewis, where I had just come from. In fact, we had two or three men only drawing as much as \$350 per month. One man of a high class, sent out by Washington, who drew a high salary. Others were back in the class in which the officers were rated, but at Camp Johnston there were a considerable number of men drawing \$15 and \$20 a day. Mr. Hollingsworth was drawing \$50 a day. The question arose as to some officer to approve of this pay roll or send it over to the major for payment, and I refused, and stated my reasons, that I did not understand and could not see why he should draw \$50 a day. Later on, after this had been held up—Maj. Wheeler held it up some weeks, I do not know how many—later on they decided to refuse his salary and he also refunded, I believe, about \$2,500.

Mr. McCULLOCH. Was that refund a result of your objections and insistence?

Capt. BRAMLITT. I understood it was; that I was the one that brought it up and questioned it.

Mr. McCULLOCH. What, if anything, did you observe in regard to Bentley boarding officers free at the contractor's commissary?

Capt. BRAMLITT. They were operating a large mess when I arrived there; they were selling meal tickets; my recollections were that the meal tickets were \$7. I made out a check, and sent it over to the commissary for a meal ticket; this meal ticket came back, and my check came back with it. I returned the check the second time, and the check came back the second time by messenger, and he said the man sent it back to me and didn't say anything. That day at noon I took my check and carried it over there and handed it to the man myself. He said, "Well, you need not to have paid this right away"; he didn't need it. I said, "Well, I would rather pay it as I go along; I prefer to do so." Later on I found that officers had been messed at this mess for a considerable time. I brought the question up to an officer, in which I asked him if he knew anything in connection therewith. I had some of the facts already. Incidentally he was one of the officers. He said, "Yes; he had not paid his bill." This was several months later. I do not know how many officers there were. To my knowledge there were two or three.

Mr. McCULLOCH. Those officers were assigned at that camp for what purpose?

Capt. BRAMLITT. Constructing quartermaster and assistants to the constructing quartermaster.

Mr. McCULLOCH. To check up the contractor and look out for the Government's interests; is that right?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And you say that you had some evidences that they did not pay and were not paying, in addition to the statements made by this officer that he did not pay. What were those evidences?

Capt. BRAMLITT. Well, I got my information first through meal tickets—by the number of meal tickets. I suspicioned that there was something wrong, and I just watched for certain meal tickets. That was the question I had and the way I obtained the information that I had. The matter was later on taken up with those officers—some of them had left there. One of them, I am not sure whether he ever paid his commissary bill.

Mr. McCULLOCH. But you know that they did not want your check, and they sent it back; is that right?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. In this conversation that you had with the representative of the contractor when you wanted to put your check, what did you understand from what he said or what he did as to what was expected of you in the matter of final payment, if anything?

Capt. BRAMLITT. That was what aroused my first suspicion.

Mr. McCULLOCH. Will you tell the committee about it?

Capt. BRAMLITT. The man did not commit himself that returned the check—that is what I tried to have him do—but he passed it off as that I could pay it later. He said the other officers were doing the same, and I assumed that that might be applied in two different ways—either as receiving something that they were not entitled to or else waiting until the end of the month when they drew their checks and then paying. That was the thing that arose first, and that gave me the suspicion to believe that there was some question. I understood that and asked the officers—several of them—about it, and I found it to be a fact that they had not been paying their board up to that time.

Mr. McCULLOCH. Either by the week or by the month; is that right?

Capt. BRAMLITT. It had gone on for some time.

Mr. McCULLOCH. How many months would you say?

Capt. BRAMLITT. I am unable to say how long that had gone on.

Mr. McCULLOCH. More than a month?

Capt. BRAMLITT. No, sir; I could not state the time, because this happened when I first arrived there.

Mr. McCULLOCH. You do know, however, that there was an officer left that had not paid his bill?

Capt. BRAMLITT. Yes, sir; the correspondence, I think, you will find in the Chief of the Construction Division where the matter was brought to their attention. I started the correspondence—that is, I instigated the beginning of it, but I do not know the final results.

Mr. McCULLOCH. You think that is obtainable by an examination of the records of the War Department?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. What, if anything, do you know about Bentley & Sons or the contractor's agents making presents of saddles or other valuable articles to officers?

Capt. BRAMLITT. The first item that came to my attention on arriving at Camp Johnston—of course, we take up in the property

accounting item by item, regardless of what it may be; it may be nails by the pound or it may be saddles, as you refer to as units by each, or automobiles by number, make, and name of the car, etc. Maj. Wheeler at that time was driving a Hudson car, and he stated that it was his car. I had only been working approximately two weeks when I found that that car had been paid for by the Government.

**TESTIMONY OF CAPT. ROBERT M. BRAMLITT—Resumed.**

**Mr. McCULLOCH.** Through the contractor?

**Capt. BRAMLITT.** Through the contractor; yes, sir.

**Mr. McCULLOCH.** In other words, the contractor bought a car, a Hudson car, charged it to the Government's account, and that car was in the possession of Maj. Wheeler, who said it was his car; is that correct?

**Capt. BRAMLITT.** That might be the case, and possibly was the case, until I got to understand the camp, until I brought the facts out. I found the car had been purchased for \$1,725; that is my recollection; and an officer claimed it as his car. I went immediately to the officer and informed him that it was a Government car, and that certain reports would necessarily have to be made to the War Department, which were called for in our Quartermaster management. The officer did not say very much about it. He told me to go and make the report.

**Mr. McCULLOCH.** With what results?

**Capt. BRAMLITT.** No results other than it was a Government car, owned by the Government, the Government had bought it.

**Mr. MCKENZIE.** Please continue.

**Capt. BRAMLITT.** I asked for various orders, in order to check up the accounts, for the purpose of checking up various items; for instance, saddles. The contract on which I was working did not clearly state in some instances as much information as I desired. Therefore I am unable to state whether or not Mr. Bentley ever received a fee on that car.

Now, getting back to the saddle question: The saddles showed up as purchased by the Government. They were high-priced saddles. Other saddles had been purchased for a nominal amount. I recall two saddles in particular that were purchased at a very high figure.

**Mr. McCULLOCH.** Do you recall the amounts?

**Capt. BRAMLITT.** I do not recall, but it was over \$50 apiece, I think. I thought possibly there had been a mistake. I went to considerable trouble to find out from the people who had sold the saddles about them, in view of the fact that I was unable to locate those two saddles.

We first of all tried to locate the property and know that nobody got it. That I could not do. They were missing. To trace this item of saddles, I went to the vendor, the man who sold them to the Government, or to the contractor for the Government. He told me who had got the saddles.

**Mr. McCULLOCH.** Who got the saddles?

**Capt. BRAMLITT.** Yes; who got them.

**Mr. McCULLOCH.** According to his statement, do you?

Capt. BRAMLITT. He told me Capt. Kendall received one, and I am unable to give you the name of the other officer, who is now dead; the other was found in his baggage.

Mr. McCULLOCH. Whom were those officers representing on that job?

Capt. BRAMLITT. They were representing the Government.

Mr. McCULLOCH. The items in regard to the saddles, as I understand you, were discovered by you in checking the contractor's budget—the contractor's account?

Capt. BRAMLITT. Yes, sir; the property account.

Mr. McCULLOCH. The contractor reports these saddles, and in tracing them you found them in the possession of two of the officers?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. One in the possession of Capt. Kendall?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And one was found in the baggage of an officer who is now dead?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, of course, officers have to have saddles, I suppose. What was the ordinary and proper method for an officer to get his equipment?

Capt. BRAMLITT. Purchase it himself. An officer also can have equipment issued to him on a memorandum receipt.

Mr. McCULLOCH. Which would not have gone in any event through a contractor, isn't that right?

Capt. BRAMLITT. It should not.

Mr. McCULLOCH. That is why you raised the question—did you write any report on the subject?

Capt. BRAMLITT. Yes, sir; I made a report to the Constructing Quartermaster that these saddles were missing; and also informed him in whose possession they were.

Mr. McCULLOCH. With what results?

Capt. BRAMLITT. I do not really recall the results at that time. In fact, I do not know what we did, but this matter came up later on, and I brought it to the attention to the auditor of the Chief of the Construction Division, and the auditor himself told me that he had made it a charge against the A. Bentley & Sons Co., and that this amount would be refused. That auditor's name was Mangham.

Mr. McKENZIE. In making up the property account of A. Bentley & Sons would those two saddles have been charged up as being short?

Capt. BRAMLITT. Yes, sir; they would have been. They would be similar to the shortage that was on a survey of the total property that we could not locate; that is, of the other property that we could not locate.

Mr. McKENZIE. And the price might have been included in the \$19,000, which you told of having a survey made by certain officers?

Capt. BRAMLITT. If I had not have found those two saddles, they would have gone in on that same survey, and would have been part of the total sum of that survey.

Mr. McKENZIE. Of course, the survey would not show the location of the desired property, or the reason or explanation in any way accounting for the same, in regard to who had gotten those saddles.

The survey would simply show the fact that they had not the saddles.

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. As I understand, you had the memorandum which would cover the voucher showing payments of money made on vouchers and property accounted, is that correct?

Capt. BRAMLITT. Yes, sir; just let me think for a minute. The property accounts and money accounts were being carried on by the constructing quartermaster himself.

The property accounts I had never begun. The memorandum accounts had been paid to a great extent by having the field auditors and the division auditor present accounts to the constructing quartermaster. From those accounts I had to get my information for the property account.

Mr. McCULLOCH. And if you found an expenditure had been made, and was unable to locate the property, you were put upon your guard?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. That is, you questioned it?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, Capt. Bramlitt, can you give the committee other instances, from memory, as to property that had been paid for but what was missing, and in the hands of officers?

Capt. BRAMLITT. No, sir; I am unable to give you any other cases, particularly in reference to officers. I brought it to the attention of the auditors of cases that I had never been informed of the final result. I was working on them when I was ordered away from the camp.

Mr. McCULLOCH. You were ordered away from the camp before you made the final report?

Capt. BRAMLITT. Before the audit was completed.

Mr. McCULLOCH. What, if anything, did you observe in regard to supplies for officers' automobiles and in the accounts?

Capt. BRAMLITT. All the supplies for automobiles were purchased by A. Bentley & Sons, and the officers had a large garage that they went into and took tires from. In fact, Maj. Wheeler was the only officer that had a car, and we got a car from A. Bentley & Sons when we could.

Mr. McCULLOCH. Do you mean to say that the Government's officers were put under obligations to A. Bentley & Sons to furnish them cars?

Capt. BRAMLITT. Yes, sir; we had considerable difficulty in the car system there. It was later on remedied by the Chief of the Construction Division.

Mr. McCULLOCH. In what way?

Capt. BRAMLITT. By letting the officers have cars.

Mr. McCULLOCH. And by using the cars belonging to the contractor it put you under obligation to the contractor, is that right?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. That is, on Government business?

Capt. BRAMLITT. That is, they were rented property, but they were bought and paid for and given to the contractor.

Mr. McCULLOCH. Now, I will ask you the general question, Captain, whether or not conditions were such there in regard to the

accounts and the property and otherwise that it put you on your guard to the extent that you had your employees and yourself to give the very closest supervision to the situation generally?

Capt. BRAMLITT. My organization confined me considerably to the office, and that class of work takes a person all the time he can spare. You can not leave it. I was unable to observe and follow up as many items as I would have liked to. If I had been on the job from the beginning of the work, I am satisfied that many things could have been avoided that had been neglected.

Mr. McCULLOCH. When you did get on the job, were the conditions such that you felt the necessity of sharp supervision?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And what was it that lead you to that conclusion—these matters of detail?

Capt. BRAMLITT. Those that I have just enumerated are some of them. For instance, another question arose in reference to an automobile that the auditor was using.

Mr. McCULLOCH. Tell us about that.

Capt. BRAMLITT. That was amongst the items that I referred to previously, as being items that I was not able to follow all the way through on account of being ordered away from Camp Johnson.

Mr. McCULLOCH. What were the details, as they came to your attention? As far as they came to your attention?

Capt. BRAMLITT. The way it came to my attention was this: It appeared that Bentley had purchased cars for different individuals.

Mr. McCULLOCH. You mean officers?

Capt. BRAMLITT. No, sir; his employees. And in turn his employees rented those cars to the Government.

Mr. McCULLOCH. You mean Bentley purchased automobiles on the Government's account, charged them to the Government, turned them over to his individual employees, or those working for him, and they in turn rented them to the Government?

Capt. BRAMLITT. No, sir; that was not the case. Mr. Bentley purchased them on his own account. In fact, I had considerable trouble all the way through in that camp, on every matter that I tried to find out anything about. For instance, there were 5,000 kegs of nails that were left over by Bentley. They were out in the open. When I arrived there I had them put under cover. It was just those things, those things that I had always been taught was pure and simple negligence on the part of some one. It was about five days before I could get anywheres toward getting even a canvas over those nails. It seemed to me that A. Bentley & Sons, those people whom I believe represented them, had in fact got the Constructing Quartermaster where he did not know what he was doing.

Mr. McCULLOCH. And what was the result of that condition?

Capt. BRAMLITT. In many of the cases I personally followed up, and got them remedied, like the nails—other materials. Cement was unloaded in the rain—thrown out and permitted to get hard.

Mr. McCULLOCH. Would such a thing have occurred if the contractor had lost as a result of that negligence? What is your opinion and your judgment?

Capt. BRAMLITT. I do not exactly get your question.

Mr. McCULLOCH. Well, this property, because of this negligence, was being lost, destroyed, or deteriorated?



Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. And if Mr. Bentley had, or if his firm had, been directly responsible for loss through the negligence, in your judgment, do you think that such a condition would have been permitted?

Capt. BRAMLITT. It should not have been permitted.

Mr. McCULLOCH. Do you think it was negligence?

Capt. BRAMLITT. It was negligence; no sensible man in the world would have gone out and unloaded a car of cement in the rain, right out in the open. He would rather pay demurrage for one, two, or three days, until he could get the cement unloaded, and put it under cover.

Mr. McCULLOCH. Captain, in view of your experience there, how do you account for such things occurring; how do you account for such a thing occurring, and why do you think such a thing was permitted to occur, and did occur?

Capt. BRAMLITT. Well, it is my sole opinion on that, in answer to your question, I can give you my opinion, if you would like to have that?

Mr. McCULLOCH. Yes; that is what I am asking for.

Capt. BRAMLITT. The prime object was to increase the cost as much as possible.

Mr. McCULLOCH. Captain, you were very active in your efforts to protect the interests of the Government, were you not?

Capt. BRAMLITT. Privately, perhaps, I was almost too active.

Mr. McCULLOCH. But you were very active; you were doing your duty as you saw it?

Capt. BRAMLITT. I was trying to protect the interests of the Government. I tried to work conscientiously, and I am willing to work, and did work day and night, when I was working there at Camp Johnson, when I was confronted with all sorts of obstacles.

Mr. McCULLOCH. Will you tell the committee about those obstacles and the sequel to it all?

Mr. McKENZIE. As an officer in the United States Army, you were simply doing your sworn duty, nothing less?

Capt. BRAMLITT. No, sir; I was not doing anything more than my sworn duty.

Mr. McCULLOCH. You say, Capt. Bramlitt, that there were obstacles put in your way; just give us a history of those troubles that you had?

Capt. BRAMLITT. Beginning with my first troubles, they came to me through the auditor, a man by the name of Mucklow.

Mr. McCULLOCH. An officer?

Capt. BRAMLITT. No, sir.

Mr. McCULLOCH. A representative of whom?

Capt. BRAMLITT. Of the Government.

Mr. McCULLOCH. A civilian employee?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. All right; tell us about that.

Capt. BRAMLITT. This man had the idea that he outranked the constructing quartermaster. I believe that you will find the necessary correspondence, considerable, between that office and the Chief of the Construction Division pertaining to this man and his authority.

Mr. McCULLOCH. Do you know how he got on the job?

Capt. BRAMLITT. No, sir; that is a point that I know nothing about. It was my duty to get this property account, and this man Mucklow had the key that I had to go into it with. He had the papers. He was not inclined to give me assistance that I had to have.

Mr. McCULLOCH. Now, you say that he was not inclined to accommodate you. How did you arrive at that conclusion? What did he do or say?

Capt. BRAMLITT. He claimed that it interfered with his work. To illustrate, the following, I think, is a fair case of his actions in regard to vouchers. For instance, I had clerks on this side, and they are taking off of the vouchers items of property. This man would go there himself and start raising trouble because a certain voucher might be out of that case [indicating side of room]. In other words, there was friction. And he would go so far as to prohibit employees from going and getting those vouchers. This meant that I had to go to that case myself at times to get vouchers. This man also would take vouchers from the case himself and put them in his desk and lock it up and avoid me and hold back the work as much as possible. He did everything he could to prevent my going ahead with these property accounts. That is only one of a lot of little things that I might probably bring up, but most of the others were not, probably, as important as that.

Mr. McCULLOCH. Did you report his attitude to anybody?

Capt. BRAMLITT. I did.

Mr. McCULLOCH. With what results?

Capt. BRAMLITT. It resulted in the correspondence between the Chief of the Quartermaster and the Chief of the Construction Divisions.

Mr. McCULLOCH. What happened? Did they fire that fellow or did he still stay there?

Capt. BRAMLITT. He stayed there for a good many months!

Mr. McCULLOCH. Until after you left, or before?

Capt. BRAMLITT. No, sir; he was fired finally. It was a case of either firing him or complying with some of the complaints that he had made.

Mr. McCULLOCH. What else happened in the way of obstruction outside of this fellow?

Capt. BRAMLITT. Well, I had been accustomed previous in my service when anything was wrong to take it to the superior officer, and he would give the orders of remedy, whatever was necessary. The orders that were given by the constructing quartermaster were being carried out in a slow and dragging matter by the contractor; that is, in regard to things that I had reported to the constructing quartermaster.

Mr. McKENZIE. Was that Maj. Wheeler?

Capt. BRAMLITT. Yes, sir; Maj. Wheeler. One of the cases which I have given to illustrate the point was that in relation to the nails.

Mr. McCULLOCH. How do you account for the delay on the part of the constructing quartermaster making effective the reports that you made?

Capt. BRAMLITT. If I had happened to attend the first conference at which this trouble arose, I could give you a better idea; but I was

not at that meeting, and the conversation that went on, which, as far as I understand, was to the effect that the constructing quartermaster was a small item at that camp and had to take a back seat and inform his officers that they were not to interfere and not to give any orders whatever.

Mr. McCULLOCH. So that the camp was being run by the contractor?

Capt. BRAMLITT. That is the way it looked to me after I arrived there. After I had been there for some time it still appeared to be that way.

Mr. McCULLOCH. Under the circumstances, what was the need of having a representative of the Government upon the job, if they did not have any authority?

Capt. BRAMLITT. I would not know how to answer that question.

Mr. McCULLOCH. Was that in accordance with the methods that had been pursued elsewhere and you have observed?

Capt. BRAMLITT. No, sir.

Mr. McCULLOCH. What was the authority of the constructing quartermaster at Lewis?

Capt. BRAMLITT. It was the supreme authority there.

Mr. McCULLOCH. State whether or not, in your opinion, the situation at Camp Johnson was the result of the attitude of the constructing quartermaster himself, or whether he was acting upon orders from Washington, or from persons under whom he was directly responsible.

Capt. BRAMLITT. That I could not say.

Mr. McCULLOCH. Have you any opinion on the subject?

Capt. BRAMLITT. No, sir; I have not.

Mr. McCULLOCH. Well, now, you, as a result of these reports you made and the different corrections in the service that you endeavored to inaugurate there in checking these accounts, got into some trouble with Washington, did you not?

Capt. BRAMLITT. The point of the trouble that arose leaked out to me in this way. Some of the stenographers in Mr. Bentley's office overheard a conversation between, I assume to be Mr. Bentley and Mr. Hollingsworth, to the effect that I was getting too bothersome in the camp, and Mr. Bentley said that he would attend to that when he reached Washington—or words to that effect. As to the full extent of what was done and how much was said, I am unable to state. That was the way it came to my notice.

Mr. McCULLOCH. Did it come to your notice in any other way?

Capt. BRAMLITT. It did afterwards.

Mr. McCULLOCH. Tell us how.

Capt. BRAMLITT. Various prominent men around the country stated to me that it was the intention of the contractor to see that I was relieved from duty at that camp.

Mr. McCULLOCH. How did these various prominent men, without naming them now—how did the information come to you from these various prominent men that you are mentioning?

Capt. BRAMLITT. One or two of them came directly to me and stated—one man stated in this form: "Captain," he says, "I have been here; I have seen your work and seen what you have been up against. I want to bring to your attention that trouble is brewing for you here." Continuing further, he said: "I have made it a point

to write a letter in your behalf." I never asked him who to. I thanked him. I said: "It is very kind of you," and I said: "If the War Department sees fit to remove me from here, it is their order, and I will comply with it. Orders that I will receive and comply with."

I am unable to state to whom that letter was written, but the intimation was that it was to the Congressman from that district.

Mr. McCULLOCH. That is the Jacksonville district?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, what other information did you receive upon that subject, from prominent men?

Capt. BRAMLITT. Another case was a man who came to me and stated that later I was to be taken away from the camp. I asked him where he had gotten his information. He did not tell me. And I just politely dropped the question, and told him that I was ready to go whenever the War Department saw fit to give the order. I thought that I had done my duty, and told him so. He said that was why he had brought it to my attention, that he felt that I had done the best I could under the circumstances, and he realized what I was up against.

Mr. McCULLOCH. Did any of these conversations contain a statement that Mr. Bentley had influence with the Secretary of War?

Capt. BRAMLITT. That is a point that was brought out by the office force, in this way—may I just explain that in detail?

Mr. McCULLOCH. You may tell us; this is not a lawsuit.

Capt. BRAMLITT. The lady toilet in the office is located in the end of A. Bentley's office, in the same building. Ladies that were working in the construction department had to visit that place, and that is where the conversation leaked out, some employees of Bentley's to the employees of the constructing quartermaster's office, and eventually reached me.

Mr. McCULLOCH. And that information was to the effect that you were going to be relieved as a result of activities of Mr. Bentley at Washington, is that right?

Capt. BRAMLITT. The way this lady stated it was, that Mr. Bentley, brother-in-law of the Secretary of War, would attend to Capt. Bramlitt, for his annoyance and worrying of the contractor, and that such annoyance and worry would soon cease.

Mr. McCULLOCH. When, after all, did your activities there cease?

Capt. BRAMLITT. In November.

Mr. McCULLOCH. You were transferred then?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. To Camp Gordon?

Capt. BRAMLITT. No, sir; to Washington, D. C.

Mr. McCULLOCH. Came to Washington and later on was transferred to Camp Gordon?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Had you finished your work at Camp Johnson?

Capt. BRAMLITT. I had finished the property accounts and had finished the survey and sent them on to Washington and the reports that I was called on to submit; the only thing that I had not finished that I was desirous of finishing and going into thoroughly was some of the cases of which I have spoken and which I had passed to

the auditor who came there to audit the accounts. I had notes, and gave these items to the auditor so that he could follow them up. .

Mr. McCULLOCH. But he relieved you of that work?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Now, did you communicate at any time with the Congressmen on that subject?

Capt. BRAMLITT. No, sir; I had never.

Mr. McCULLOCH. Did you furnish any information through any of your friends to any Congressmen?

Capt. BRAMLITT. No, sir. If any information was ever obtained, why, it was taken right from the office, and it might have been through questions. Probably, if there was any such thing, I might have been asked questions as to whether certain things were so and so, but I never made up any data or never furnished any information or never wrote a letter to any of the Congressmen.

Mr. MCKENZIE. Capt. Bramlitt, you are not in any particular hurry to catch any particular train to get back, are you?

Capt. BRAMLITT. No, sir; not particularly, but I would like to be back to the camp day after to-morrow.

Col. SHELBY. Mr. Chairman, Mr. West very kindly notified me of this meeting, and asked that I would be present at it. There is one thing that I want to bring to the attention of the committee, and that is the fact that about one and one-half years ago the Secretary of War appointed a committee of eminent men of national and international reputations to make a review of the construction work of the War Department in all its various branches and to give him such a report, finding of facts, of such constructions, criticisms, for betterments of the service, and to make such a report as would be of benefit of any future War Department in handling any similar situation in a future war.

Mr. MCKENZIE. Just one minute, please. Give your full name to the stenographer.

#### **STATEMENT OF COL. EVAN SHELBY, CHIEF OF THE CONTRACTS DIVISION OF THE CONSTRUCTION DIVISION OF THE ARMY.**

Mr. MCKENZIE. State your name and position to the reporter.

Col. SHELBY. Evan Shelby, Chief of the Contracts Division of the Construction Division of the Army.

Mr. MCKENZIE. What do you wish to state, Colonel?

Col. SHELBY. That committee candidly reported for something like a year. They visited something like 50 or 60 of the projects under construction, interrogated some 200 witnesses, and got together a mass of very valuable evidential matter, made recommendations and findings, and that report has been submitted to the Secretary of War, and this report has been made by persons who can not be charged with any partisanship at all, because—this committee, as I understand, is Mr. Francis Blossom, the chairman, a member of the firm of Sanderson and Porter of New York, perhaps the largest business of its kind in America and of international reputation; Mr. W. Saunders Davies, the president of the American Institute of Accountancy, who during the war served here with the Council of National Defense primarily; and Mr. Charles A. Morse,

the chief engineer of the Rock Island System of railroads. Those three gentlemen made this report, and I ask that that be taken in as a part of the record of this committee.

Mr. McKENZIE. Well, Colonel, if you have a copy of that that you can submit to the committee, so that the other members of the committee may have an opportunity of looking it over, I will say to you very frankly a good friend of mine in the Construction Division very kindly handed me a copy of it. I think it was Saturday evening, and he asked me to look it over, and as it is quite a volume I looked over it yesterday and on Saturday evening, and I will say this: that there are some very, very pertinent statements in there that would probably go in as a part of this hearing, but there are scores of pages, in my judgment, that would have nothing whatever in the world to do with the point of the investigation which we are pursuing.

Now, just for illustration, there is a heading, for instance, on water works and sewage, and then on water supplies, and all of those different things that are brought in, and matters about the Council of National Defense; also how the Council of National Defense works, and how the Emergency Committee was organized. Of course, that is all in our hearings now. It has been printed once, and it seems to me that it would be simply burdening the record to propose the republication of all that material.

Another instance would be showing the tables of the costs in the different camps. This last item is of material, and before stating that I would be willing that that entire volume might be printed I would like to have the pleasure of having my colleagues on the committee to inspect the volume and to have their judgment on the matter, not my opinion.

Col. SHELBY. Unfortunately, Mr. Chairman, I understand that Col. Ainsworth had borrowed the other copy, because we wanted the committee to see it. We know what is in it. I feel that that organization—that that work was done at the expenditure of time and labor. It was enormous. It was done by men who can not be charged with being partisan, because, as I understand, those men were selected on account of their work and ability, and I might say that all three of them are of Republican persuasion. They are men unassailable ability, and they did an enormous amount of work and it seems it deals so thoroughly with the sanitation and sewage systems and utilities it has developed the subject in regard to utilities and layout, general layout, on the cost-plus situation. It dealt with that situation, and took all the evidence they had on it, and presented it as part of the addenda. I have not read the whole report; I have not had the time so far.

Mr. McKENZIE. The report covers at least 500 pages.

Col. SHELBY. No part is documentary evidence.

Mr. McKENZIE. I think I read, perhaps, to page 250—but much of it I did not have to read through, because I was thoroughly familiar with certain of the subject matter. I will say that the men you speak of are men of the highest character, and I assume the purest motives. I would not for one moment criticize those men, because I think they live their lives in that higher atmosphere, away from all these little petty things of life that you and I have to come

in contact with, and as experts on a matter of construction as to how the camps were constructed, or whether it was satisfactory, I am inclined to think that these men employed by the Government—take Capt. Bramlitt, for instance, and the others who have testified, who have actually been on the job and come in contact with the work and the men—I think that these men are more familiar with the points and ideas we have in mind than those gentlemen who have written that report. I am not criticising those gentlemen for a moment. I would not do that. I think they are working at it from a standpoint of good citizenship, and they are trying to render the country a service, and I will very gladly take it up with my colleagues as to whether we should put the whole thing in the record.

Col. SHELBY. I might say that Capt. Bramlitt has visited three places, and I know these gentlemen were at fifty, and stayed there sometimes three or four days, and went into each and every detail of the system; for instance, the engineering features, the material features, the inspection and accounting systems, and all of those things. Also, in regard to the proper construction, and thereby they were given the benefit of their judgment as to whether the plans used were the best plans, or whether they could be used at all.

Mr. McKENZIE. Of course, Colonel, we admit that, but I notice among the list of witnesses was Mr. Roberts, of the firm of Dickens & Roberts.

Col. SHELBY. I know that, but I think he is a high-class gentleman.

Mr. McKENZIE. But in a lawsuit we would feel that probably he was not eligible or qualified to testify, being a beneficiary under the contract, but I am not saying that that would throw any discredit on his testimony, but at the same time he would be looked upon as a man in interest.

Col. SHELBY. Of course, he is entitled to be heard, and as to credence, you gentlemen can give his testimony whatever consideration you may determine it merits. But, as I understand, "interest" does not debar a witness.

Mr. DOREMUS. When was that report made to the Secretary?

Col. SHELBY. Since this committee has been in session.

Mr. DOREMUS. How many copies have been printed?

Col. SHELBY. It has never been printed.

Mr. McKENZIE. It is in typewritten form. It was an official report made to the Secretary.

Col. SHELBY. Isn't that the report that Col. Ainsworth had.

Mr. McKENZIE. Yes, sir; he loaned it to me to look it over.

Col. SHELBY. I tried to get him to bring it up to-day, but I could not find the report. I did not know that he had loaned the report to you, and I assumed that he had the report.

Mr. McKENZIE. I had been glancing at it. I would not consent to its going into the record in its entirety.

Mr. DOREMUS. Why can we not get that copy and go through it, and take such parts as we think are vital, and put them into the record?

Mr. McKENZIE. I have no objection, if Col. Ainsworth will permit me to bring it to the committee here, we can look it over.

Col. SHELBY. If I had had it, I would have brought it to the committee room myself, but if you will bring it, the committee can



look at it in that manner. I think the report contains considerable information that will be of considerable benefit to this committee.

At the meeting at Rockway, as I understand it, Col. Worthway, who was there from our office, said that Mr. O'Connor, had been called for cross-examination by the committee as a whole, and that the entire committee would like the opportunity to examine him at a later date. We would like the opportunity to go into the matters to show all facts in connection with Mr. O'Connor's direct examination, and I would suggest a time for that hearing.

Mr. McCULLOCH. I would like to make the suggestion, that I think that is a matter which Mr. Doremus will determine, if he wants him cross-examined, as a member of the committee. I do not know.

Col. SHELBY. It was my understanding that that would be done.

Mr. DOREMUS. Was there any understanding at Rockway that Mr. O'Connor would be called later? I think I stated at that time that we might recall him.

A VOICE. The record does not show it.

Mr. McCULLOCH. If Mr. Doremus wishes to cross-examine him, he may do so.

Col. SHELBY. If he will, it will give us a chance to get the questions that will illustrate the question from our standpoint that he has made statements in the record, that he could have built the camp for much less than it cost. We would like to show the other side of the picture, so that you gentlemen may have it all before you.

Mr. McKENZIE. I want to make a statement to you so that there will be no misunderstanding in the matter. If you or Gen. Marshall, or Col. Cooper, or anyone from your division desires to make a statement before this committee, or testify in connection with this matter, why, you have that privilege, and perhaps we could hear you to-morrow, or the next day. We will get through with it. That is our understanding. We would like to close up everything in Washington, after Wednesday of next week. Of course, we will have to hear representatives of Mr. Bentley in regard to Mr. O'Connor. We will have to let that go over until next week, but we will be glad to hear any witnesses that you would like to call from your department.

Mr. DOREMUS. Do you think, Col. Shelby, that if Mr. O'Connor came here, that we could develop additional facts or information that would aid this committee?

Col. SHELBY. I certainly do.

Mr. DOREMUS. I do not suppose that there is any objection.

Mr. McKENZIE. I am perfectly willing to have any testimony.

Mr. DOREMUS. Let me make this suggestion. Was not it at Rockford—I have not read his testimony—but if there is any particular thing that you want to draw out from Mr. O'Connor's testimony, if you will submit them to me, I will be very glad to ask those questions of Mr. O'Connor.

Col. SHELBY. I shall be glad to do so.

Mr. McKENZIE. Mr. O'Connor will have to be subpoenaed.

(Thereupon, at 12.20 o'clock p. m. the committee took a recess until 2 o'clock p. m.)

## AFTER RECESS.

Mr. McKENZIE. The committee will be in order.

## TESTIMONY OF CAPT. ROBERT M. BRAMLITT—Resumed.

Mr. McCULLOCH. Captain, what can you tell the committee in regard to the nature of the construction down at Camp Gordon; was it good or was it bad, as a general proposition?

Capt. BRAMLITT. As a general proposition, it was good.

Mr. McCULLOCH. Have you any instances which you desire to bring to the committee's attention of waste of materials, in addition to what you have already told us?

Capt. BRAMLITT. Camp Gordon is one post where materials have not been burned, and the waste that existed at Camp Gordon is there at the present time for anyone to see, with the exception of small quantities that we have used for various purposes of repairs. We are using waste material for repairs as far as is possible at the present time.

Mr. McCULLOCH. What is the quantity of waste there; is it great or small, in your opinion?

Capt. BRAMLITT. That could be answered in two different ways: Whether you consider materials which were left over, that are there, surplus as a waste, or whether you would consider property that actually was thrown out as a waste.

Mr. McCULLOCH. My thought was, and it has been in line with all of the testimony here on that subject, whether or not the waste of materials was greater in the construction of a camp, in this instance, Camp Gordon, than it would have been if the camp had been constructed under another system; that is, whether there was excessive waste. We all know there is going to be waste. But the point I wanted to make was whether, in your judgment, the waste was excessive or not.

Capt. BRAMLITT. Under the conditions Camp Gordon was built, I do not believe it would be fair to state that there was an excessive waste.

Mr. McCULLOCH. Then you will say it is not excessive?

Capt. BRAMLITT. Not excessive.

Mr. McCULLOCH. That is all.

Mr. DOREMUS. Can you tell us what sort of lumber was used in the construction of Camp Lewis?

Capt. BRAMLITT. Most of it was that northwestern pine lumber.

Mr. DOREMUS. Was it pine or was it fir?

Capt. BRAMLITT. There was very little fir mixed with it.

Mr. DOREMUS. You think the most of Camp Lewis was constructed of pine?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. What sort of construction material was used at Camp Johnson?

Capt. BRAMLITT. A great deal of it was Florida pine; some of it probably came from Georgia.

Mr. DOREMUS. What can you say of the difference between the northwestern pine and the Florida pine? Is there any difference in its durability?

Capt. BRAMLITT. That would be something I could not say, as to the durability of it.

Mr. DOREMUS. Are you a practical builder, Captain?

Capt. BRAMLITT. No, sir.

Mr. DOREMUS. You never had any experience in construction work?

Capt. BRAMLITT. Only what I have observed since I have been connected with the Army for the last 20 years.

Mr. DOREMUS. Can you tell the committee as to how all this lumber was purchased for the 16 different jobs? Was it all purchased in Washington, or was it purchased at the different jobs?

Capt. BRAMLITT. A large percentage of it was purchased through Washington; some small quantities at times was purchased at different camps.

Mr. DOREMUS. The greater part of the lumber that went into the camps at American Lake, at Camp Johnson, and Camp Gordon was purchased in Washington. Is not that so?

Capt. BRAMLITT. The greater part; yes, sir.

Mr. DOREMUS. I was interested in that part of your testimony which deal with the feeding of officers in Bentley's mess. Was that carried on to any great extent?

Capt. BRAMLITT. No, sir; only possibly with three or four officers.

Mr. DOREMUS. If those officers had not eaten at Bentley's mess, where would they have eaten?

Capt. BRAMLITT. They would have had to eat with company organizations, company detachments, or else have gone into the city.

Mr. DOREMUS. If they had eaten at company detachments, would they have paid for their meals, or would they have been paid for by the Government?

Capt. BRAMLITT. No, sir; they would have paid for their meals.

Mr. DOREMUS. That is what I am getting at.

Capt. BRAMLITT. After we closed this mess we ate at what was called the Bakery mess.

Mr. DOREMUS. And you paid for your meals?

Capt. BRAMLITT. And we paid for our meals.

Mr. DOREMUS. You are quite sure that you only know of three or four officers who ate at Bentley's mess?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. Did that continue for any great length of time?

Capt. BRAMLITT. I do not know how long it had continued when I first found it out; I am unable to say.

Mr. DOREMUS. Do you know whether, as a matter of fact, these officers all ultimately paid for their meals received at Bentley's mess?

Capt. BRAMLITT. I know that checks were sent to the Construction Quartermaster in payment for that, with the exception of one case—one case had not been sent in when I left the camp.

Mr. DOREMUS. Are you able to give the committee an intelligent opinion as to what this practice cost the Government, if it cost anything?

Capt. BRAMLITT. Every man who ate at that mess cost the Government some money. The mess was costing, as near as I recall, about \$1.40 and some cents a day, and the men who were eating at that mess were not paying quite that much. Tickets were being sold to the persons who ate at the mess at a given price—\$7 for 20 meals, I believe.

Mr. DOREMUS. Seven dollars for 20 meals?

Capt. BRAMLITT. I believe that was correct; I am not positive.

Mr. DOREMUS. How long did that practice continue after you arrived on the job?

Capt. BRAMLITT. Not very long; that was one of the problems that I tried and took steps to have closed immediately. The officer who was Constructing Quartermaster would not close it immediately, but the day that he left there I did close it, or the day after.

Mr. DOREMUS. You testified that in making your property inventory you missed these two saddles. Did you miss any other property?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. What else?

Capt. BRAMLITT. I missed considerable property, amounting to, as I stated, about \$19,000 in money value was missing; in that property were items I could not trace the whereabouts of.

Mr. DOREMUS. I think you testified that Bentley & Co. were called upon to account for this \$19,000.

Capt. BRAMLITT. My recollection was that a portion of that—the officer who was the surveying officer did not hold them for every item. Some items naturally wore out in fair wear and tear in the service which without question would not make a charge against the company—items that there was no excuse for loss were to be charged against the contractors.

Mr. DOREMUS. But a claim was made for this missing property?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. And are you familiar with the terms of the final settlement?

Capt. BRAMLITT. No, sir; I am not.

Mr. DOREMUS. You have testified, Captain, that there were rumors or gossips around the camp to the effect that Bentley had influence with the Secretary of War. Are you able to state the source of that information, or was it merely camp rumor?

Capt. BRAMLITT. It was camp rumor solely.

Mr. DOREMUS. As to whether there was any foundation for that rumor, you know nothing?

Capt. BRAMLITT. No, sir; I am not in a position to state whether there was or was not.

Mr. DOREMUS. When did you first go to Camp Johnson?

Capt. BRAMLITT. I arrived at Camp Johnson, as I recall, about the 27th of December, 1917. I was given four or five days leave to visit my mother, who lives in Petersburg, and I believe I returned to duty on January 2, 1918.

Mr. DOREMUS. And remained there until when?

Capt. BRAMLITT. November, 1918.

Mr. DOREMUS. Then you were on the job at Camp Johnson nearly a year?

Capt. BRAMLITT. About 10 months.

Mr. DOREMUS. Have you described fully the circumstances that led to your transfer from Camp Johnson to Camp Gordon?

Capt. BRAMLITT. There might be a little doubt in the statements that were made there. In order to clear that up exactly, I will make this further statement:

Maj. Stevenson, of the Construction Division, made inquiries as to whether the property accounts had been completed, as he desired my services in connection with property surveys in Washington. He was informed that the property accounts had been completed, and that the finance accounts were not quite complete, but they had auditors working on them. Under those conditions there was nothing left for me except to work in connection with the auditors and accountants on the finance accounts; and they decided to have me transferred from the Construction Division to Washington, which was done.

Mr. DOREMUS. Then, as I understand it, the real reason why you were transferred to Washington was the fact that your work was practically completed at Camp Johnson?

Capt. BRAMLITT. It was. This question that arose in connection with my being removed from Camp Johnson happened several months prior to this.

Mr. DOREMUS. You refer now to these rumors that were flying around to the effect that you were going to be transferred?

Capt. BRAMLITT. Yes, sir; that was the question that arose this morning.

Mr. DOREMUS. You first heard of those rumors several months before you really left Camp Johnson?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. I think you testified that those rumors first came to your attention through some gossip among the girls at headquarters?

Capt. BRAMLITT. Yes, sir; one of the stenographers was the one that brought it to my attention first, and I had some of them confirmed, and there were two that I recall heard these remarks passed at a meeting they had in the lavatory.

Mr. DOREMUS. After this gossip in the lavatory, what else did you hear regarding rumors that you were going to be transferred: did you hear anything about it after that?

Capt. BRAMLITT. The officers, several of them, spoke to me about it. I do not know how they got their information—these two officers.

Mr. DOREMUS. As I understand it, the substance of this gossip was that because of your activity in behalf of the Government certain influences would be exerted to bring about your transfer; is that correct?

Capt. BRAMLITT. That is the way I understood it.

Mr. DOREMUS. Now, as a matter of fact, Captain, those influences were not effective in procuring your transfer, were they?

Capt. BRAMLITT. No, sir.

Mr. DOREMUS. You were detailed to Camp Johnson, as I recall from your testimony, to take charge of the property accounts of the Government. Will you give the committee some little idea of what that work consisted?

Capt. BRAMLITT. Yes, sir. It consisted of making a voucher for every invoice or every item that the Government has purchased, and those invoices are consolidated on a return, known as quartermaster's semiannual return, which originally was sent to the Quartermaster General's office.

Mr. DOREMUS. That is work, I assume, that had to be done on all these jobs?

Capt. BRAMLITT. Yes, sir; it had to be sooner or later. Some of the jobs had been passed over during the construction, but all of them had to be made before the officer who had been the property or finance officer had his accounts finally settled.

Mr. DOREMUS. I suppose that that is really a part of the country's military system, is it not?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. Does that work add to the contractor's cost in any way?

Capt. BRAMLITT. No, sir; that work should have been carried under employees of the auditing section, in which the contractor received no fee on.

Mr. DOREMUS. As a matter of fact, the contractor does not have anything to do with that particular class of work, does he?

Capt. BRAMLITT. No, sir.

Mr. DOREMUS. That is purely a military matter?

Capt. BRAMLITT. Yes, sir; the only case where a contractor enters into that part is to produce the tools, the equipment, etc., that have been purchased and shows on this property return.

Mr. DOREMUS. When did you first discover that Hollingsworth was on the pay roll for \$50 a day?

Capt. BRAMLITT. I will not be able to give you the date—some time the middle or latter part of January.

Mr. DOREMUS. I think you testified that at that time his pay was being held up or had been held up for some time.

Capt. BRAMLITT. No, sir; that was the starting point of holding his pay up.

Mr. DOREMUS. I see.

Capt. BRAMLITT. I presented the facts and pay roll to Maj. Wheeler, and for several weeks after that Maj. Wheeler refused to pay the amount; then the contractor voluntarily had Mr. Hollingsworth to refund.

Mr. DOREMUS. How much did he refund?

Capt. BRAMLITT. My recollection is about \$2,500.

Mr. DOREMUS. Do you know what time it was, exactly, that the Construction Division placed a maximum of \$500 on the salary of any of the men connected with this construction work?

Capt. BRAMLITT. No, sir; I do not.

Mr. DOREMUS. Of course, you know that such an order was issued?

Capt. BRAMLITT. No, sir; I do not know that. Our understanding was that \$350 was the limit during the construction of Camp Lewis. These instructions that were sent out later I failed to see.

Mr. DOREMUS. If such an order was issued, it never was brought to your attention, as I understand it?

Capt. BRAMLITT. No, sir.

Mr. DOREMUS. Can you tell the committee whether, as a matter of fact, some of the contractors paid their superintendents and others in authority in excess of \$500 a month and made up the difference out of their own pocket?

Capt. BRAMLITT. No, sir; I do not know of any cases of that character.

Mr. DOREMUS. I wanted to ask a question or two in regard to this automobile that you have testified was used by the construction quar-

termaster, I think. Did the constructing quartermaster tell you that he owned that automobile?

Capt. BRAMLITT. Nothing further than to say that that was his car—referred to it as his car.

Mr. DOREMUS. Did you infer from that that he meant that he really owned the car or that it was a car that had been set aside for his use?

Capt. BRAMLITT. That could be inferred in two different ways. His statement could mean that the car was in his possession for his sole purposes, or else it could mean that it was his own property. But his statement was not definite which way it was.

Mr. DOREMUS. So you are not prepared to testify that when the constructing quartermaster made that statement to you he intended to convey to you the idea that he actually owned the car; is that correct?

Capt. BRAMLITT. I do not think he intended to make the statement that he owned the car.

Mr. DOREMUS. As a matter of fact, who did own the car?

Capt. BRAMLITT. The United States Government.

Mr. DOREMUS. The United States Government owned the car?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. Did the constructing quartermaster need that car on the job; did he have any use for it at all?

Capt. BRAMLITT. The constructing quartermaster needed the car, without question. But as to whether he needed a car that cost that much money there is doubt in my mind.

Mr. DOREMUS. You think he could have gotten along with a cheaper car?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. I am anxious to get your views as to just what extent the Government was injured by the constructing quartermaster using that car, aside from the fact that you think they could have gotten a cheaper car for him.

Capt. BRAMLITT. I do not exactly understand how to answer that question you have put.

Mr. DOREMUS. Mr. Stenographer, please repeat the question.

(The stenographer thereupon read the pending question, as follows:)

Mr. DOREMUS. I am anxious to get your views as to just what extent the Government was injured by the constructing quartermaster using that car, aside from the fact that you think they could have gotten a cheaper car for him.

Capt. BRAMLITT. This car, as I recall, cost \$1,725. A car that would have answered his purpose could have been obtained for \$800 or \$900.

Mr. DOREMUS. Then, if I understand you correctly, if there is any complaint about this transaction, it only goes to that extent that the contracting quartermaster could have been provided with a cheaper car?

Capt. BRAMLITT. Yes, sir.

Mr. DOREMUS. I think it is quite clear, Captain, from your testimony, that you tried to perform very efficient service for the Government at Camp Johnson, and that you think the War Department ought to be commended or not censured for sending you down there?

Capt. BRAMLITT. I feel like I did my duty there. I feel that if I had had some stronger backing that I could have given greater service there.



Mr. DOREMUS. You are satisfied that you did render valuable service to the Government.

Capt. BRAMLITT. I think I saved the Government a good many thousand dollars there.

Mr. McCULLOCH. In the case of the automobile, while the Government might have lost something as the result of this constructing quartermaster using a high-priced car when he could have gotten along with a low-priced car, my understanding of your testimony this morning was that you complained of the policy of having the contractor purchase a car for the constructing quartermaster when the car should have been furnished the constructing quartermaster in some other way, because of the possibility of such action being interpreted as carrying with it some obligation on the part of the constructing quartermaster?

Capt. BRAMLITT. That is the reason I brought up this question.

Mr. McCULLOCH. You would not have brought it up solely upon the ground that he could have gotten along with a cheaper car, would you?

Capt. BRAMLITT. No, sir. The point I had in view was that the construction quartermaster would only have had to take up the question of his transportation with the chief of the Construction Division, and they would have given him the transportation that he required. But instead of doing that the contractor furnished a high-priced car to the constructing quartermaster, and also he gave the necessary repair parts, etc., to keep up that car, to the constructing quartermaster, which would indicate that the contractor was doing a favor for which he might wish some sort of favor.

Mr. McCULLOCH. That was my understanding of your testimony this morning, and I desired to get the matter clear, in view of the questions of Mr. Doremus upon the subject.

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Your theory being that the man representing the Government and whose duty it was to check up the contractor should be absolutely free from all obligations to the contractor; is that right?

Capt. BRAMLITT. That is the point I wanted to make.

Mr. McCULLOCH. To my way of thinking, it is a mighty good point.

Mr. MCKENZIE. Men usually give gifts for one of two reasons: First, that they love the person to whom they are making the gift, or, second, that they expect to get something in return. Is that about the logic of it?

Mr. DOREMUS. Mr. McCulloch's conclusions are undoubtedly correct if his premises are sound.

Capt. BRAMLITT. That is why I made mention of that in connection with the saddles, automobile, and cases of that sort, so that there would be more than one instance brought to the attention of the committee.

Mr. DOREMUS. As a matter of fact, did the contractor furnish this car?

Capt. BRAMLITT. The Hudson car you are referring to now?

Mr. DOREMUS. Yes. You testified a moment ago that the Government owned this car.

Capt. BRAMLITT. The contractor purchased the car and the Government paid for it.

Mr. DOREMUS. Was there anything in the contract that an expense to the Government—did the contract authorize the contractor to buy the automobiles and charge them up to the Government?

Capt. BRAMLITT. There is nothing in the contract to give the contractor leeway to purchase a car outright for the constructing quartermaster.

Mr. DOREMUS. Now, that gets us back to the original question. To what extent was the Government damaged by this constructing quartermaster using this particular car? It was the property of the Government, was it not?

Capt. BRAMLITT. Yes, sir.

Mr. McCULLOCH. Just a minute on that. Damage in dollars and cents might, to my way of thinking, be the least consideration in a matter of this kind, and, as I understand it, your reference to that proposition went solely to the question of whether or not, by reason of the contractor furnishing the quartermaster this car, under the circumstances, when the quartermaster could have gotten transportation in another way—whether or not that might not have influenced him or might have been intended to influence him in his general supervision over that camp in the carrying out of his duties?

Capt. BRAMLITT. It was not the money value that I had reference to.

Mr. McKENZIE. Let me just put it another way, Captain: These people are either all right or some one of them is wrong in their motives.

Capt. BRAMLITT. Yes, sir.

Mr. McKENZIE. The quartermaster officer could have gone, as you have said, and put in a requisition for a car and the Government would have furnished him with a car?

Col. SHELBY. There would have been no method by which that constructing quartermaster could have gotten a car in time for use on that particular contract.

Mr. McKENZIE. Colonel, do you think that the representative of the Government, the constructing quartermaster, who is there to see to it that the Government's necessities are looked after, should in the slightest degree be under any obligation to the contractor?

Col. SHELBY. Absolutely not.

Mr. McCULLOCH. Why would you put your constructing quartermaster in a position where he had to go to a contractor to get his transportation?

Col. SHELBY. He does not have to.

Mr. McCULLOCH. If that is the case, there is something wrong with your system.

Col. SHELBY. I say there is something wrong with the whole Army system that prevent you getting any sort of transportation for one of these emergency jobs in time to use it on the job. I think you will find out that the constructing quartermaster there instructed the contractor to wreck cars that would have to be sufficient so that the Government's partial use of that car—

Mr. McKENZIE (interposing). Colonel, let me pursue this: Of course, the Government was buying thousands of cars. They had the absolute power to commandeer everything that they wanted, so far

as that is concerned, and I can not understand the philosophy that you are advancing that the Government could not have gotten a car down there for one of its officers if it so desired and had the matter brought to the attention of the officer. It seems to me that could have been done. But the point I was making was that this quartermaster wanted a car, needed one, and should have had one, and that the Government probably would have furnished him a Ford. He, perhaps, desired to ride in a more expensive car. Just assuming that—I am just assuming that he wanted a \$1,700 or \$1,800 car. But he could not get that through the Government, while he could go to the contractor and have the contractor order it and charge it up to the Government and turn it over to him, and he would have the use of that car. That would be one way that it could be done, and that would be reprehensible conduct on the part of the quartermaster officer, would it not?

Col. SHELBY. I should think so.

Mr. McKENZIE. Now, then, just take the reverse: Suppose that the constructing quartermaster did not say anything about it to the contractor, but that the contractor said to him, "You need a car; you ought to have a good car. I am getting cars here. I will order you a \$1,700 or \$1,800 car, charge it up to the Government, and turn it over to you." What would be the contractor's purpose in that, unless the constructing quartermaster was a close personal friend of his and he wanted to do him a friendly act? There must have been a motive for it. Now, was the motive good or was it bad, or is it good policy for Army officers to put themselves in the hands of any contractor or anyone else in that manner?

Capt. BRAMLITT. My judgment is that it is best to keep free of contractors in every possible way. I have not even gone so far as to take a meal from any contractor, so that they would have no hold on me whatever.

Mr. McKENZIE. I am not making any charges that there was any attempt on the part of either of these men to do a criminal act or to do anything wrong. But the facts, and they have forced us to draw some conclusion.

Mr. McCULLOCH. In addition to that, I want to say that if the quartermaster, by reason of a laxity of the system here at Washington, was forced into a position where he had to go to the contractor and get his transportation to make his supervision of the camp, that is another angle, and to my way of thinking that should be shown and corrected.

Col. SHELBY. There is in an elasticity of the system that made it very difficult, gentlemen; it was very hard to solve but you had to do it then and there.

Mr. McKENZIE. Do you know, of your own knowledge, Captain, whether or not this particular car or the particular saddles that you mentioned in your testimony, were purchased by the contractor at the request of the quartermaster of your camp?

Capt. BRAMLITT. The purchasing of all supplies requires the approval of the purchase order by the constructing quartermaster. But at Camp Johnston supplies were purchased by the contractor, and the purchase orders afterwards approved by the contracting quartermaster or his representative.

Mr. McKENZIE. The plan of the War Department to safeguard the Government is all right, but in this case it was not followed, if I understand it.

Capt. BRAMLITT. It was not followed.

**TESTIMONY OF MR. JAMES NORMAN PEASE (FORMERLY LIEUTENANT COLONEL, QUARTERMASTER CORPS, UNITED STATES ARMY), 1530 HEALY BUILDING, ATLANTA, GA.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McCULLOCH. Will you give your full name to the stenographer, and also your present address?

Mr. PEASE. My name is James Norman Pease, and my address is 1530 Healy Building, Atlanta, Ga.

Mr. McCULLOCH. You were commissioned a colonel in the Quartermaster's Department during the war?

Mr. PEASE. I was commissioned a major originally, and afterwards promoted to the rank of lieutenant colonel.

Mr. McCULLOCH. What branch of the service?

Mr. PEASE. The Quartermaster Corps.

Mr. McCULLOCH. When were you commissioned a major?

Mr. PEASE. June, 1917.

Mr. McCULLOCH. Was that after work had been begun on Camp Gordon or before?

Mr. PEASE. No, sir; prior to the beginning of work.

Mr. McCULLOCH. How long prior to that?

Mr. PEASE. I was commissioned and sent immediately to Camp Gordon, met the contractors in Atlanta and the work was commenced within two or three days.

Mr. McCULLOCH. The contract, as I understand it, had been let before you received your commission?

Mr. PEASE. About the same time. I do not know whether it was actually let before or immediately afterwards, but there was just two or three days—I think it was let before.

Mr. McCULLOCH. Who were the contractors you conferred with when you went to Atlanta?

Mr. PEASE. Arthur Tufts.

Mr. McCULLOCH. Was he the contractor?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Individually?

Mr. PEASE. He was associated—the contract, as I understand it, was let to Arthur Tufts in his own name; and that Mr. Tufts for the purpose of expediting the work and increasing almost immediately his organization associated with himself several Atlanta contractors.

Mr. McCULLOCH. Who were they?

Mr. PEASE. The Southern Ferro Concrete Co., R. M. Walker. Adair & Flagler, and one other contractor, a Mr. Griffin—I do not remember his initials. They all had organizations in Atlanta and he associated these gentlemen with himself.

Mr. McCULLOCH. Was he a contractor himself?

Mr. PEASE. Mr. Tufts?

Mr. McCULLOCH. Yes.

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. So that while he had the contracts, yet he had arrangements with these other men for the use of their organizations?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Did Lockwood & Green have a contract?

Mr. PEASE. They were engineers.

Mr. McCULLOCH. As I understand, but did they have a contract?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. What was the nature of their contract?

Mr. PEASE. They had the contract for all engineering work in connection with the laying out and the execution of the work.

Mr. McCULLOCH. Did they have the contract at the time you were appointed constructing quartermaster?

Mr. PEASE. No, sir.

Mr. McCULLOCH. When did they get it?

Mr. PEASE. Soon after I was appointed; contract was made with me.

Mr. McCULLOCH. Soon afterwards?

Mr. PEASE. I should say as soon as I got to Atlanta and went over the details with the contractors—within two or three days.

Mr. McCULLOCH. You say that you entered into a contract with Lockwood & Green?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. And they were the engineers who laid out this camp?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Do you know what the amount of their fee was?

Mr. PEASE. I am not positive; I believe it was three-fourths of 1 per cent.

Mr. McCULLOCH. I mean the total amount they received?

Mr. PEASE. I do not remember exactly what that was.

Mr. McCULLOCH. So that after you were appointed and went to Atlanta, conferred with these contractors—those associated with Mr. Tufts—you let the engineering contract to Lockwood & Green?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Then, Colonel, how long did you stay on the job as constructing quartermaster?

Mr. PEASE. Until December 5, 1917; about six months.

Mr. McCULLOCH. To what extent had the work progressed at that time?

Mr. PEASE. We considered it finished, as to the first contract. I think the Liberty Theater was not quite completed. There was some little road work to be done and some additional work authorized which was not contemplated when the original contract was let.

Mr. McCULLOCH. At that time the work had been practically completed under the original contract?

Mr. PEASE. We so considered it.

Mr. McCULLOCH. Did you remain in the service then?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Where were you assigned after that?

Mr. PEASE. Washington.

Mr. McCULLOCH. How long did you remain here?

Mr. PEASE. Until March 1, 1919.

Mr. McCULLOCH. In the constructing quartermaster's department?

Mr. PEASE. In the office in charge of the construction division.

Mr. McCULLOCH. Were you assigned to any other camp as constructing quartermaster?

Mr. PEASE. I remained in Washington all the time.

Mr. McCULLOCH. Prior to your being commissioned, what was your business?

Mr. PEASE. That of an engineer.

Mr. McCULLOCH. With what concern?

Mr. PEASE. Lockwood, Green & Co.

Mr. McCULLOCH. Upon whose suggestion or recommendation, if you know, were you appointed?

Mr. PEASE. My commission?

Mr. McCULLOCH. Yes.

Mr. PEASE. Mr. Barnwell of Lockwood, Green & Co.

Mr. McCULLOCH. He recommended you as constructing quartermaster?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. While you were appointed on the suggestion of Barnwell, of Lockwood, Green & Co., who secured your assignment or upon whose suggestion was your assignment made to Camp Gordon?

Mr. PEASE. As I understand it, a corps of officers made all the assignments—Col. Whitson, I believe—

Mr. McCULLOCH. I am asking you who, if any one, from Atlanta requested you to be assigned?

Mr. PEASE. Nobody that I know of.

Mr. McCULLOCH. Will you say that no one did do it, or will you say you do not know?

Mr. PEASE. I will say I do not know of any one requesting it.

Mr. McCULLOCH. How long had you worked for Lockwood, Green & Co. before you were commissioned?

Mr. PEASE. About three years.

Mr. McCULLOCH. Where had you worked prior to that?

Mr. PEASE. I had constructed a cotton mill at Hogansville, Ga.

Mr. McCULLOCH. For what concern?

Mr. PEASE. Lockwood, Green & Co.; that is, as engineer for them.

Mr. McCULLOCH. That was not the purpose of my question. I want to know who you worked for before you were employed with Lockwood, Green & Co.

Mr. PEASE. I worked for Guld & Co., at Chattanooga, Tenn., and Chattanooga Light & Power Co.; and I did some contracting work for myself.

Mr. McCULLOCH. But three years prior to your being commissioned in the Army you had been employed by Lockwood, Green & Co. as an engineer?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. As constructing quartermaster at that time you supervised the work that was done by your former employers?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. You submitted at the close of your service or some time during the course of your service a report, which is de-

scribed as "Completion report of the construction quartermaster at Camp Gordon," and it is dated December 5, 1917. I want to direct your attention to the report, and ask you if that is the report you prepared [handing bound volume to the witness].

Mr. PEASE. Yes, sir; that looks like the same report.

Mr. McCULLOCH. How much of that report did you prepare and who prepared the rest of it?

Mr. PEASE. I wrote that preface, and then I wrote this page 7 [indicating], which is rather an introduction.

Mr. McCULLOCH. And then what happened?

Mr. PEASE. Then I called on the different department heads to write a description of the work over which they had supervision.

Mr. McCULLOCH. The department heads you mean?

Mr. PEASE. I mean, for instance, you will find a sewage-disposal and waterworks system—

Mr. McCULLOCH (interposing). Just a moment. Maybe I can make my question more clear. Was the balance of the report written by the department heads representing the contractor or representing the War Department?

Mr. PEASE. Both; in other words, I picked out the man who knew the most about it to write these reports.

Mr. McCULLOCH. You did not write it yourself?

Mr. PEASE. No, sir.

Mr. McCULLOCH. Regardless of whether they represented the contractor?

Mr. PEASE. It did not make any difference to me. What I was trying to get was a report which would be of most interest and benefit to the Government.

Mr. McCULLOCH. The report of costs or financial statement was prepared by J. S. Hayles, who represented the United States Government?

Mr. PEASE. The United States Government.

Mr. McCULLOCH. The engineering work report was prepared by whom?

Mr. PEASE. I think that was by J. C. Wardlaw.

Mr. McCULLOCH. Who was he?

Mr. PEASE. He was chief engineer of Lockwood, Green & Co.

Mr. McCULLOCH. That is, he represented the contractor?

Mr. PEASE. No, sir; he represented the Government—employed directly by the Government.

Mr. McCULLOCH. I know; but he was employed by the contractor and paid by the Government?

Mr. PEASE. I beg pardon; he was paid directly by the Government and not by the contractor.

Mr. McCULLOCH. What was Wardlaw's connection with Lockwood, Green & Co.?

Mr. PEASE. He is chief engineer for Lockwood, Green & Co.

Mr. McCULLOCH. I know. He was chief engineer, and now you say he was employed by the Government.

Mr. PEASE. Exactly; Lockwood, Green & Co.'s chief engineer, and employed by the Government.

Mr. McCULLOCH. And he, then, represented the contractor?



Mr. PEASE. No, sir; unless you mean Lockwood, Green & Co.'s contract. I am confusing, probably, Arthur Tufts. He had no connection with Arthur Tufts whatsoever.

Mr. McCULLOCH. Of course, I understand that.

Mr. PEASE. If you mean Lockwood, Green & Co., contractors——

Mr. McCULLOCH. This is a report of the engineering work. What would Tufts have to do with that?

Mr. PEASE. Nothing at all.

Mr. McCULLOCH. I am asking you now about the report of the engineering work in the buildings at Camp Gordon.

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. The report was made by J. C. Wardlaw, who was the chief engineer of Lockwood, Green & Co.?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Who had the contract?

Mr. PEASE. For the engineering?

Mr. McCULLOCH. Yes.

Mr. PEASE. That is correct; yes, sir.

Mr. McCULLOCH. Then, why do you say he represented the Government?

Mr. PEASE. Employed by the Government.

Mr. McCULLOCH. He was employed by the contractor, who had a contract with the Government, but paid by the Government?

Mr. PEASE. Yes, sir. When you speak of "contractor" I always think of Arthur Tufts.

Mr. McCULLOCH. This is a separate contract.

Mr. PEASE. I see.

Mr. McCULLOCH. And it was a contract really because he received a fee, according to the records, of approximately \$50,000?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. So that that part of the contract was written by a man who was the chief engineer of the contractor?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Who is E. K. Large?

Mr. PEASE. E. K. Large was an engineer employed by Lockwood, Green & Co., who had charge of the construction of the water supply.

Mr. McCULLOCH. And he wrote the report on water supply?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Who is W. O. Crossman?

Mr. PEASE. W. O. Crossman is road engineer.

Mr. McCULLOCH. For whom?

Mr. PEASE. Lockwood, Green & Co.

Mr. McCULLOCH. And he wrote the report on the sewerage system and sewage disposal?

Mr. PEASE. Yes, sir. The road report was written by a Government engineer.

Mr. McCULLOCH. We will get to that ultimately. Who is H. J. C. Peterson?

Mr. PEASE. He is an electrical engineer.

Mr. McCULLOCH. For what company?

Mr. PEASE. For Lockwood, Green & Co.

Mr. McCULLOCH. And he wrote your report on electrical work at Camp Gordon?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. And who is C. B. Smith?

Mr. PEASE. C. B. Smith is the contractor who had the road contract. What report did he write?

Mr. McCULLOCH. Exhibit E, the buildings for Camp Gordon. I want to know who he is.

Mr. PEASE. He is an architect who was employed by Lockwood, Green & Co.

Mr. McCULLOCH. He was employed by the contractors?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. He wrote the report on the buildings?

Mr. PEASE. That is correct.

Mr. McCULLOCH. F. W. Frye, who is he?

Mr. PEASE. He was engineer with Lockwood, Green & Co.

Mr. McCULLOCH. And he wrote your report on the heating system for a base hospital?

Mr. PEASE. That is correct.

Mr. McCULLOCH. And who is D. T. Wright?

Mr. PEASE. What did he write?

Mr. McCULLOCH. Roads for Camp Gordon, Exhibit G.

Mr. PEASE. I can not identify D. T. Wright at all.

Mr. McCULLOCH. Was he employed by Lockwood, Green & Co.?

Mr. PEASE. Maybe I can tell you—I will not say, because I do not know the man.

Mr. McCULLOCH. You do not know whether he was or not?

Mr. PEASE. No, sir; I think he was probably a new road man.

Mr. McCULLOCH. Who is O. F. Coffin?

Mr. PEASE. He was employed by Lockwood, Green & Co.

Mr. McCULLOCH. And wrote the report on the rifle range, Camp Gordon?

Mr. PEASE. He wrote a supplemental report.

Mr. McCULLOCH. Of Camp Gordon?

Mr. PEASE. That was not in my original report. This report [indicating], I might say, seems to have had some supplements put to it.

Mr. McCULLOCH. So about all the report you wrote is the introduction?

Mr. PEASE. That I personally dictated, plus these first seven pages; the technical work was done by experts.

Mr. McCULLOCH. Did the Southern Ferro Concrete Co. secure a contract direct with the Government in connection with Camp Gordon at any time?

Mr. PEASE. I am told they did, after I left there.

Mr. McCULLOCH. But they were on the job, associated with Mr. Arthur Tufts?

Mr. PEASE. That is correct.

Mr. McCULLOCH. Was there any change in the personnel, if you know, of the Southern Ferro Concrete Co. when they got the contract?

Mr. PEASE. You mean over what it was when associated with Tufts?

Mr. McCULLOCH. How were they associated with Tufts?

Mr. PEASE. I think they associated with them Mr. Walker, who was formerly associated with Mr. Tufts.

Mr. McCULLOCH. As constructing quartermaster, you had direct supervision of the construction of the camp?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. As the representative of the Government; is that correct?

Mr. PEASE. That is correct.

Mr. McCULLOCH. Can you tell this committee how it came that you, an employee of the contractor, or Lockwood, Green & Co., a contractor, was commissioned and sent to Camp Gordon to supervise their work?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. All right.

Mr. PEASE. Col. Whitson told me that when the selection of men to be commissioned to help in the construction of these cantonments was being considered, Mr. Barnwell, who is the district manager of Lockwood, Green & Co., was in his office. He asked Mr. Barnwell if he knew of a man who had had the proper experience to handle a piece of work of this kind. Mr. Barnwell at that time told him that I was then revamping the Pacific Mills, which consisted of building or remodeling approximately 500 houses, together with about 200,000 spindles, cotton-mill work, that work being so nearly in line with what a cantonment was like Col. Whitson asked Mr. Barnwell if he could get me to come to Washington. Mr. Barnwell wired and I came up, talked to Col. Whitson, and he asked me if I could take one of these jobs, and I said "Yes," that I was perfectly willing to do anything I could to help out. He said, "We are thinking of sending you to American Lake, Seattle, Wash."

I said, "Colonel, I am perfectly willing to go to American Lake, but I have never done any work in that country. I am not familiar with contractors; I am not familiar with conditions there; I do not know materials nor any conditions that we are apt to run against in that country and I would prefer, that is, if you want to get the best of my experience, or get the most out of my experience, that you send me to one of the southern camps." "All right," he said. "All the southern camps we have designated except a camp near Atlanta. Which one would you rather go to?" Col. Whitson asked me that question. I said, "I would rather go to Atlanta, because I know more people, and believe I can handle more satisfactorily, as I am more familiar with conditions, and that is where I would like to go." He said, "All right. I will take it up with the rest of the men and see if I can make that assignment." He afterwards told me I had been elected.

Col. Gunby then came to me and said, "How are you going to handle your engineering?" I said, "If it meets with your approval. I am going to employ Lockwood, Green & Co. to do it, because I know they have an organization in Atlanta that they can put right there on a minute's notice, and I do not know of any other people in the South who has got an organization such as they have who can handle it, and I think with their organization they can handle it well, and if it meets your approval I will enter into a contract with them." He said, "It does, perfectly;" and he gave me a formal contract to fill out with Lockwood, Green & Co. I went down to Atlanta, met Mr. Barnwell, and made a contract with them for this work.

They then put the force on the ground, and I believe executed a very efficient piece of work.

Mr. McCULLOCH. Do you know whether or not there were any communications from Barnwell to the officers here in Washington suggesting that you be assigned to Camp Gordon?

Mr. PEASE. I do not know; if there were, it was without my knowledge. I chose the location.

Mr. McCULLOCH. That is, where you wanted to go?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Did you not feel some little embarrassment about supervising the work of the men as representatives of the Government, of your former employers?

Mr. PEASE. Not a bit.

Mr. McCULLOCH. Have you returned to their service now?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. So that you were just temporarily during the war absent from their pay roll?

Mr. PEASE. No, sir. I resigned my position with the Government and then was employed by them.

Mr. McCULLOCH. I did not mean to impugn that you were getting paid from both sources.

Mr. PEASE. I was not, as it were, on leave of absence.

Mr. McCULLOCH. I was just suggesting whether or not—I was asking you whether or not it did not occur to you that, careful as you might be and judicious as you might be in handling the matter, that there might be some embarrassment arise by reason of your representing the Government, as the sole representative of the Government, in the supervision of a contract involving hundreds of thousands of dollars being carried on by men who had employed you heretofore and to whose employ you probably intended to go when you left the Army. Did that occur to you?

Mr. PEASE. I knew the question would be asked, but it did not bother me, because I knew I was doing what I considered to be the best thing for the end to be attained, and while we might sometimes put ourselves in positions where we might be open to criticism, if we do so, knowing we are doing the right thing, it does not bother us.

Mr. McCULLOCH. So you had not the least hesitancy?

Mr. PEASE. Not the slightest.

Mr. McCULLOCH. In going down there and taking charge on behalf of the Government?

Mr. PEASE. It was known to everybody before I did it. I told the officials here why I was doing it; they knew why; and the personnel and the organization I was associated with is, in my opinion, so far above criticism of anything of that kind, although I know it was made.

Mr. McCULLOCH. By whom was it made?

Mr. PEASE. It was made by an officer.

Mr. McCULLOCH. What officer, do you know?

Mr. PEASE. By Capt. Waggoner, who told the foreman on the job that he did not think it looked well. I asked Capt. Waggoner to come into my office. He came in, and I said, "Capt. Waggoner, I have heard you made this remark. I do not blame you for feeling exactly like you do. But," I said, "Here is the story of the whole business! Here is why I was employed; why I employed Lockwood, Green &

Co. to come down and take charge of the engineering work, and I feel, in justice to you, that I tell you this." And I told Capt. Waggoner exactly what I have told you gentlemen. Capt. Waggoner is one of the best friends I have got, and feels exactly about it that we did a very good thing in giving them that work. He is an engineer himself.

Mr. McCULLOCH. Did you hear any other criticism of that sort?

Mr. PEASE. No, sir.

Mr. McCULLOCH. Nobody raised the question?

Mr. PEASE. I have not heard of any.

Mr. McCULLOCH. If you were an owner and you were going to build a large project involving a million dollars, would you have handled it in the way this was handled, having an employee of the man who was doing the work in full and complete charge of the owner's supervision; would you do it that way?

Mr. PEASE. If I knew the men I would.

Mr. McCULLOCH. I will ask you whether you think it is good business, assuming everybody is honest; would you call that good business?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. Would you do that in your private business?

Mr. PEASE. If I know the man I am dealing with is honest, it is good business, provided you know you are getting the most efficient service.

Mr. McCULLOCH. How did these officers at Washington who permitted this arrangement to be entered into with the knowledge of your former employment and that the supervision that you would have to carry on for the Government as its representatives—how would they know that you would not be influenced in the slightest?

Mr. PEASE. They did not know it.

Mr. McCULLOCH. Then, not knowing, do you think it was good business on their part to send you down there.

Mr. PEASE. I think that when you employ any man to expend a sum running into millions you are going to take a chance, and I believe that these men who made the selection of constructing quartermaster, having intrusted them with the expenditure of millions of the Government's funds, believed that they would carry out to the best interests of the Government the commission which was intrusted to them.

Mr. McCULLOCH. Yet you admit they did not know anything about any of it?

Mr. PEASE. I beg pardon.

Mr. McCULLOCH. You say they did not know you?

Mr. PEASE. They did not know I was going to be honest; therefore they put me under bond.

Mr. McCULLOCH. I will ask you this further question, Colonel: If you had been here in Washington, charged with the responsibility of carrying on this work as speedily and economically for the Government and having it properly supervised, would you have selected as the sole agent of the Government the employee of the contractor that was doing the work as your representative, as a general policy?

Mr. PEASE. Having selected my engineers from engineers whose reputation I believe is the best, who have offices all over the country.

with a main office in Boston, where they are well known and have been located for eighty-odd years, and having asked them to recommend a man whose experience had been such that he could take care of this work, I think that they certainly exercised judgment by, as we might say, hitching up a team which had formerly worked together, which would work to the best interests of the Government.

Mr. McCULLOCH. What was the use of sending a quartermaster down there if you had that great confidence in checking everybody up.

Mr. PEASE. Somebody had to be the go-between between the engineers and contractor.

Mr. McCULLOCH. You know it cost a lot of money to have that quartermaster's supervision on those jobs, do you not?

Mr. PEASE. You mean my supervision.

Mr. McCULLOCH. The supervision at all camps?

Mr. PEASE. Yes, sir; we had to have that.

Mr. McCULLOCH. You had to have that for what purpose?

Mr. PEASE. The Government required it, and you wanted to know that you were taking every precaution possible.

Mr. McCULLOCH. As a safeguard?

Mr. PEASE. Yes, sir; to see that these things were executed for the best interests of the people.

Mr. McCULLOCH. Executed for the best interests of the people?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. And that expense was gone to as a safeguard to protect the Government?

Mr. PEASE. Yes, sir.

Mr. McCULLOCH. And you are advocating that the thing to do is to give a man a contract, and then give the supervision to one of his engineers, commission him in the Army and send him down there to supervise his former boss's contract; is that it?

Mr. PEASE. Well, sir, I think that a man who has ever been in the Army gets out of civilian life, gets away from everything that he has been connected with about as quickly as is possible for a person to do.

Mr. McCULLOCH. Before you were ever commissioned as major had you ever stood in line and pulled your heels together.

Mr. PEASE. No, sir.

Mr. McCULLOCH. You were never in the Army a minute before that, were you—answer that?

Mr. PEASE. I was commissioned in the Army.

Mr. McCULLOCH. Yes; but you are talking now about a psychological situation, where a man because of an Army position divorces himself from private interests and thinks only of the Government, and yet you admit that when you were commissioned you had never previously pulled your heels together and stood in line. You know, that argument does not weigh with me. I will say, for the purpose of this record, that this situation, given that you were all honest and sincere, is really the most startling thing, within my knowledge, that has developed in this whole investigation, and I cannot understand the psychology of men who permit such things to happen.

Mr. DOREMUS. Colonel, this report has been referred to. Of what does it consist?

Mr. PEASE. It simply is a story of the construction.

Mr. DOREMUS. Do you know the contents of this?

Mr. PEASE. Yes, sir; I have read it over quite a few times. I approved everything that went into it.

Mr. DOREMUS. Is it a faithful history of everything they were contemplating at Camp Gordon?

Mr. PEASE. I would say to you, as nearly as I could compile. I do not know anything about the subsequent history. It was the first part over which I had supervision, and that part is faithfully recorded.

Mr. DOREMUS. When was the organization started at Camp Gordon?

Mr. PEASE. About June 22.

Mr. DOREMUS. And when was it completed?

Mr. PEASE. I left December 5, 1917.

Mr. DOREMUS. How long after work was started before the camp was ready for reception of the soldiers?

Mr. PEASE. To receive soldiers? In September. I do not remember the date. I think some of the officers came in August.

Mr. DOREMUS. Can you give with certainty the approximate idea of the sizes of that camp?

Mr. PEASE. The camp comprised approximately 2,300 acres, I believe. I think 2,300 acres, and there was approximately 1,200 buildings in the original layout. It housed approximately 40,000 men, with complete equipment of horses, etc.

Mr. DOREMUS. How long after you got on the job did it take you to complete your layout of the organization?

Mr. PEASE. We did not complete the layout of the organization until the organization was just about finished. The plans had to be adapted to the typography and engineering, and contractors were continually running a race as to who should get out of the others' way.

Mr. DOREMUS. Have you ever heard any complaints that the work was not expeditiously performed under the contract?

Mr. PEASE. No, sir.

Mr. DOREMUS. You are a practical builder, are you not?

Mr. PEASE. Yes, sir.

Mr. DOREMUS. Based upon your experience as a builder, what can you say as to the time within which this work was completed?

Mr. PEASE. I could say the time was remarkable.

Mr. DOREMUS. Remarkable in what way?

Mr. PEASE. It was remarkably quickly constructed, and it was a remarkably quickly constructed camp. I would say all of the camps were remarkably quickly constructed.

Mr. DOREMUS. Do you know a man by the name of Mucklow?

Mr. PEASE. Do I know a man by the name of Mucklow?

Mr. DOREMUS. Yes.

Mr. PEASE. Yes, sir; he was my division auditor.

Mr. DOREMUS. Is he the same Mucklow who was employed at Camp Johnson?

Mr. PEASE. Yes, sir.



Mr. DOREMUS. What kind of a man is Mucklow?

Mr. PEASE. I found Mr. Mucklow to be very efficient in every way; to attend strictly to his own business; to see that the proper safeguards were taken to guard the Government's interest in every way.

Mr. DOREMUS. Did you ever have any trouble with him.

Mr. PEASE. Never.

Mr. DOREMUS. I will ask Col. Cooper if there are any questions which he would like to ask the witness?

Mr. COOPER. You might like to bring out something in that sense [handing paper to Mr. Doremus].

Mr. DOREMUS. Does the firm of Lockwood, Green & Co. do a very large business?

Mr. PEASE. Yes, sir.

Mr. DOREMUS. Can you give us some idea of the character and volume of their work.

Mr. PEASE. Our organization comprises largely engineering work in connection with industrial plants. For instance, we built plants for the United States Rubber Co., for the Goodyear people, and for a great number of the large modern steel corporations, and other industrial plants. We built the Black Cap Hosiery Mill, the Diamond Match Co., the Pacific Bleachery Co., the Naumkeag Co.

Mr. DOREMUS. To what extent, if any, has this work been done under the cost-plus system?

Mr. PEASE. I can only speak knowingly of the Aalanta office in this connection, and I will say that I think every contract that we have let in the last eight months, with the possible exception of two, has been let under a cost-plus, fixed agreement.

Mr. DOREMUS. Well, we will infer from that answer that more work is being done by Lockwood, Green & Co. under the cost-plus system, than was done before.

Mr. PEASE. Before the war, you mean?

Mr. DOREMUS. Yes, sir.

Mr. PEASE. Yes, sir.

Mr. DOREMUS. How do you account for it?

Mr. PEASE. They all seem to prefer it. In other words we let a mill that will run \$3,500,000. On this mill, we ask the contractor to give us a bid on the work on the cost-plus and fixed fee. We find that we can let a job there which will cost the owner about 5 per cent, while if we let it under a contract, under present conditions of labor and material, it would probably cost 25 or 30 per cent by which they would cover every contingency and risk and all that sort of thing.

Mr. DOREMUS. Well, is it your experience that when you have done work under the cost-plus system, that you have any repeat orders on the same basis.

Mr. PEASE. Oh, yes; yes, sir. In fact we have been doing for one of the mills now for a period of four years. When I say Lockwood, Green & Co. The only work they do is cost-plus, except reporting and, when I say executing contracts, I say that we as agents for the owners let those contracts for this work. We do this on a cost-plus basis.

Mr. DOREMUS. Are we to understand that contracts, generally speaking, include the engineering and other work, and are now being let quite generally under the cost-plus basis?

Mr. PEASE. Yes, sir.

Mr. McKENZIE. You say you are letting a good many contracts under the cost-plus system or fixed fee?

Mr. PEASE. Yes, sir.

Mr. McKENZIE. Do you use the identical form of contract that is used by the Government?

Mr. PEASE. We have embodied a great many paragraphs right from the Government contract.

Mr. McKENZIE. Now, when you speak of this fixed fee, do you put it up to the contractors to bid for the amount of the fee, they are to get on the work?

Mr. PEASE. Why, on the letting of the contract that we let—I will give you one illustration without names, because this is taken from our files, and is, therefore, confidential.

There was a certain mill on which the estimated cost was \$1,250,000. We asked a number of the first-class construction companies to bid on the work, based on the following provisions, and I am now reading or giving from memory from our contract:

We will perform for you all work outlined for the net commission of \$50,000.

That figure is arbitrary.

Provided the cost does not exceed \$1,000,000. For every additional \$100,000 above \$1,000,000, that this work may cost, we will bill you for our commission, 5 per cent.

Now, that is the basis on which a contract was let. We asked for a bid, and I believe the commission was based on 6 per cent.

Another company, which did not get the bid, at a commission based on  $6\frac{1}{2}$  per cent.

Three other contractors were equally willing to carry it out.

We let it to the man who would do the \$1,000,000 worth of work for \$50,000.

Mr. McKENZIE. Then you had competition on the amount of the fee?

Mr. PEASE. Yes, sir; we had competition on the amount of the fees, and that is a contract that we are carrying out now.

Mr. McKENZIE. Do you have anything in there like a bonus for saving?

Mr. PEASE. No, sir.

Mr. McKENZIE. Do you have anything for forfeiture, for increasing expenditures?

Mr. PEASE. Not in that contract.

Mr. McKENZIE. Anything for not getting the contract completed in a certain length of time?

Mr. PEASE. No, sir. We did not do that for this reason—for the reason that we selected the contractors from what we considered the most representative contractors in the country, and we did not care to pay the extra commission which would have been necessary to secure protection against this loss. We would rather that the owner would take a chance. In other words, if they lost on the job, that would be paid for, and if they did not lose on the job we would prefer to get the benefit of it.

Mr. McKENZIE. Then the contracts that you are using, as I understand, are materially different from the form contract used by the Government in the construction of camps and cantonments?

Mr. PEASE. Only that the contract that we filled with the Government, up to a certain amount of money, the fee was limited to \$250,000. I think it was probably on three and one-half or four million dollars. In no case could they receive more than that, which really made a cost-plus and fixed-sum contract. The contractors did not get an addition if they exceeded that.

Mr. McKENZIE. Can you explain where that safeguarded the Government in any way?

Mr. PEASE. I think in this case, in all the contracts, I know, specifically, at Camp Gordon—I would say first that I believe that no contractor could possibly have taken the contract on a lump-sum bid with the information in hand. It would have been impossible for this reason: While we had a typical layout, as we understand a typical Army layout is made on the basis of what might be termed a plain table, or just a flat table. They sketch out the buildings and put them in a perfect horseshoe, or say, that [indicating]. There is the quartermaster; here, all the Signal and Artillery layout, and they say: "We want you men to fit that to the ground as nearly as possible to conform to this ideal layout."

Now, you take Camp Gordon, for instance, and some of those buildings are on three elevations. It is not a typical layout. Not a typical building as shown with the floor on one elevation, but in order to conform to the hills and valleys that they had at Camp Gordon we had to make them in three sections, which made a more expensive building.

Our sewer layout was quite a problem there. It was not what I would term a typical engineering problem, but we had two things to confront us. First, was time—to get this thing ready so that we could safeguard the health of the fellows.

We could not let them use the latrine, and, on the other hand, we could not do deep cutting which would go into rock, which meant either time or pumping. Consequently, it took a complete survey of the whole district that we expected to sewer before this one question could be determined. Naturally, before we could make that sanitary survey, we had to locate our buildings, so we made this new topographical survey based on the exact conditions as they existed at Camp Gordon.

The next thing we did was to spot our buildings at the most advantageous locations. After then spotting the buildings, the next problem was sewage. We first laid it out so that it would drain naturally, by gravity; the next point, we came to where we had to pump it. We had to discard that on account of too many hills and valleys and too much digging; also too much pumping. Now, as I say, a contractor could not figure beforehand what he would have to undertake, and I believe that in getting a cost-plus contract we safeguarded the interests of the Government to this extent, that the contractor did not have to cover himself with a very large percentage to meet these contingencies.

Mr. McKENZIE. Well, the point I was asking you, Colonel, was wherein you feel that a maximum fee of \$250,000 best protected the Government?

Mr. PEASE. I thought you meant this contract.

Mr. McKENZIE. Was there any safeguard to the Government?

Mr. PEASE. Yes. It could not have been \$200,000.

Mr. McKENZIE. No matter what the amount would be. Of course, the contractor was only interested in this percentage until he reached the maximum fee.

Mr. PEASE. The original contractors expended approximately \$750,000 in Camp Gordon, and they were paid \$250,000 for that work. Now, that \$250,000 maximum fee would have been reached, I believe, between three and four million dollars, so that the Government had the benefit of the contractors' organization for all work done above that amount, where the maximum fee would automatically have been reached.

Mr. McKENZIE. But the question of safeguarding the Government was a matter of economy and saving on the part of the contractor. I have been unable to see wherein the maximum fee in a case such as you have described is any safeguard to the people.

Mr. PEASE. You mean as an alternate that he would get a straight percentage?

Mr. McKENZIE. Of course, my contention is that any cost-plus contract with anyone, except an absolutely honest man, and the knowledge of the contract conferred to him, that he who is having the work done is vicious. That is my judgment of the form of contract, and I have been unable to see wherein the fixing of a certain fee, or leaving at a straight percentage, safeguards the public against extravagance, and carelessness, and negligence on the part of the workmen, especially so on the part of the contractor.

Now, the question I was asking you is, if you were able to describe in your own language wherein the fixing of those fixed charges contended by some would be a safeguard—wherein is that really a safeguard? I have been unable to see it. But probably you have not, as a matter of fact, given it a great amount of thought.

Mr. PEASE. Yes; in fact, I have given it considerable thought during the last two years. This contract has been discussed by members of the Construction Division, and it has been discussed by us and in our engineering projects. We have all discussed this contract, and if saving the Government meant safeguarding the Government, I contend this is best for the Government. If keeping workmen from being extravagant, I say there is nobody who can do that except the foreman who is right over them. The amount of money does not make any difference. I say that a contractor who is working for the interest of his client is just as anxious to perform a contract under cost-plus as well as under any other plan.

Mr. McKENZIE. I understood you to say that you had certain safeguards in the contract which you are using now. The cost-plus contracts.

Mr. PEASE. Just what do you mean by safeguards?

Mr. McKENZIE. Well, the maximum cost guaranteed.

Mr. PEASE. Yes, sir; we have maximum costs, just like the Government; that is, a maximum—maximum fee. I beg your pardon.

Now, we have some very small contracts, several maximum contracts, and I will tell you a specific case. We let a contract to the B. H. Hardaway Co. for a power house to be built at the Phoenix mill. We estimated the cost not to exceed \$45,000. It was only a small power house. We asked the contractor to make us a straight bid on it, and

he made us a bid of \$60,000 on that job. We entered into a contract, believing it would not cost that much money, by which he guaranteed that the cost of that contract would not exceed \$58,000. The contractor is now building that power house for about \$37,000.

Now, if we had asked him to bid on that thing he would have charged \$60,000, and that was the result—that was the lowest bid we got at all. But we gave it to the contractor on a straight cost-plus contract.

Mr. McKENZIE. Is that the only safeguard you had in that contract?

Mr. PEASE. In that contract we did not. We had another safeguard, by which we paid him for saving.

Mr. McKENZIE. What percentage do you usually put in?

Mr. PEASE. This Hardaway contract is working under, I think, an 8 per cent, but I am not positive of that.

Mr. McKENZIE. Of the saving?

Mr. PEASE. Savings run anywhere from 15 to 25 per cent. That is according to what the plans are.

Mr. DOREMUS. As I understand it, the Lockwood, Green & Co. are engineers.

Mr. PEASE. Yes, sir.

Mr. DOREMUS. And as engineers they entered into a contract with the Government?

Mr. PEASE. Yes, sir.

Mr. DOREMUS. Now, I wish you would tell the committee what Lockwood, Green & Co. were required to do under that contract.

Mr. PEASE. Lockwood, Green & Co. were required to make a tiptop typographical layout, to show all of the buildings, to stake out the buildings on the grounds as they were to be erected; to put the corner stakes out for the contractors to go by; to give all grades for sewers, waterworks, etc.; to let them out and to make them operative. The firm was required to give all the road grades and to supervise and inspect and see that all work was carried out in accordance with the plans and specifications.

Mr. DOREMUS. What have you to say as to the relationship that existed, or ought to have existed, between a firm of contracting engineers and the Government? I do not know whether I made that question clear or not.

Mr. PEASE. Not quite.

Mr. DOREMUS. Was it in any sense a confidential relationship?

Mr. PEASE. You mean should the relationship between the constructing quartermaster and his engineer on the one side as against the contractor on the other?

Mr. DOREMUS. No; I refer particularly to making a contract. There was a contract made between Lockwood, Green & Co. and the Government?

Mr. PEASE. Yes, sir.

Mr. DOREMUS. And you have stated briefly what they were required to do under that contract. Manifestly the firm represented the Government?

Mr. PEASE. Yes, sir.

Mr. DOREMUS. They sustained no relationship to anybody else but the Government, did they?

Mr. PEASE. No, sir; none at all.

Mr. DOREMUS. Would you term it a relationship of confidence that existed, or ought to have existed, between the Lockwood, Green & Co. on the one hand and the Government on the other?

Mr. PEASE. I would think that the Lockwood, Green & Co. represented the Government itself, as it was employed by the Government.

Mr. DOREMUS. Yes. Now, let me ask you this: Under that contract with the Government, were Lockwood, Green & Co. required to do any construction work?

Mr. PEASE. No, sir; none at all.

Mr. DOREMUS. The contract with Lockwood, Green & Co. was separate and distinct from the contract for all of the construction work on that job?

Mr. PEASE. The contract with Lockwood, Green & Co. was for the engineering work and for the safeguarding of the Government's interest in seeing that the engineering work was completed in accordance with the specifications.

Mr. DOREMUS. The business of Lockwood, Green & Co., so far as the Government was concerned, was its position of trust?

Mr. PEASE. Yes, sir; as the Government agent.

Mr. DOREMUS. Has it ever been intimated to you, either directly or indirectly, that Lockwood, Green & Co. abused that trust?

Mr. PEASE. No, sir. If it had, I would have gotten out of the engineering division. I think that is all.

Now, I just want to say one thing, Mr. Chairman, which may or may not go into the record. This is in regard to the safeguarding of the Government's interest. When the contract was let I went to Mr. Bailey, who is Chief of the Secret Service in Atlanta, Ga., and told Mr. Bailey that I had been appointed constructing quartermaster, and that I believed that the job would be executed on time, but that I wanted him to appoint for my protection a detective from his office who would report to me. He did. This man reported to me, and I asked this man to organize any organization that he wished to safeguard the Government's interest. I said to him: "Do not tell me who are in your organization and do not give me any knowledge of your organization. I do not even want you to report to me on the job. I want you to organize absolutely and independently of me and the constructing quartermaster's department. You may take a foreman on this job, or anybody you wish, and perfect your organization, and if you ever see anything on this job that you consider wrong, I want you to report it to me, and whatever you do, I want you to see that there is nothing crooked that goes on, on this job, as far as you can tell."

Mr. DOREMUS. What is the officer's name?

Mr. PEASE. His name is Eve, but I am just a little hazy on this point; but Mr. Bailey can give us all that information.

Mr. MCKENZIE. Did not the War Department have some intelligence officers down there on the job?

Mr. PEASE. It did, but they did not report to me.

Mr. MCKENZIE. I assumed they would have some down there!

Mr. PEASE. They may have done so, but I do not know anything about it. I know I was trying to safeguard the Government as much as possible.

Mr. McKENZIE. Were there ever any bad reports handed in to you?

Mr. PEASE. Yes, sir; there were.

Mr. McKENZIE. Did any prosecutions follow?

Mr. PEASE. Yes, sir; I think both men are in the penitentiary now. We had two men who padded the pay roll, and I believe they were sent to the penitentiary.

Mr. McKENZIE. That is not in this report [indicating].

Mr. PEASE. No, sir; I think not; no, sir.

Mr. McKENZIE. Of course, that is rather encouraging to know that that happened down at Atlanta, that they sent some fellows to the penitentiary that deserved to be sent there.

Mr. PEASE. Yes, sir.

(Witness withdrew.)

#### TESTIMONY OF CAPT. HERBERT F. TEATE, UNITED STATES ARMY.

Mr. McKENZIE. Give your full name to the reporter?

Capt. TEATE. Capt. Herbert F. Teate, United States Army.

Mr. McKENZIE. Where is your home?

Capt. TEATE. My home originally was in Montgomery, Ala.

Mr. McKENZIE. Where are you stationed at the present time?

Capt. TEATE. Camp Gordon.

Mr. McKENZIE. In the construction division, quartermaster?

Capt. TEATE. No, sir; I am in the Sixth Infantry.

Mr. McKENZIE. How long have you been at Camp Gordon?

Capt. TEATE. I first went to Camp Gordon August 29, 1917, and I have been there practically ever since.

Mr. McKENZIE. You went there during part of the construction of the camp?

Capt. TEATE. Yes, sir.

Mr. McKENZIE. What have you got to say, Captain, from your observation of that camp, of the waste of material, and so on, by the contractors?

Capt. TEATE. Well, I could not say that any material was wasted. I could not say that it was or was not wasted.

Mr. McKENZIE. What can you say about seeing large quantities of lumber thrown in the scrap heap there; what was done with it afterwards?

Capt. TEATE. Well, there was a large pile of what you term scrap lumber when the camp was being built, which was a tremendous pile of lumber at the time, and it eventually disappeared. There is some of it still there, but I think it was all eventually used around the camp. I do not know whether it was used anywhere on the new buildings, but they utilized a considerable amount of it when we came there, because the barracks were incomplete, and the men coming in there, this all compelled us to hustle, and we shifted for ourselves somewhat—the officers in line. So we made use of this pile of lumber, and we built the coal boxes, wood boxes, walks, in some places that had not been finished, and we put the boards on them, and built a new shed for automobiles and things like that. That was how we used a lot of this lumber.

Mr. McKENZIE. That had been hauled away from different places?



Capt. TEATE. It seemed that when they finished the barracks that they picked up everything left in that vicinity and dumped it in this pile. I think the idea was to reassert it and use it again, but I could not say, because I never watched it or paid any attention to it.

Mr. McKENZIE. But you do know that quite a small number of structures were put up out of the lumber that was taken from that pile?

Capt. TEATE. Yes, sir.

Mr. McKENZIE. What was your regiment?

Capt. TEATE. Three hundred and twenty-sixth.

Mr. McKENZIE. What have you to say about the workmen there?

Capt. TEATE. The workmen as a whole were exceptionally good, in my opinion, under that kind of a contract. That contract on a large job of that kind, it appears to me, induces men to loaf. It is such a big proposition that it is hard to keep them from it. The natural inclination of a man is to loaf, but the working gang, as a rule, were good, with the exception of some few that I had noticed and came in contact with—and I am referring particularly to the plumbers and the electricians—and we were badly in need of water connections and light; and it was so noticeable the way these fellows loafed, not putting up the work and we in need of them at the time. That is one thing I know of.

Mr. McKENZIE. Did the soldiers suffer any on account of the delay in the completion?

Capt. TEATE. No, sir; I could not say that any of them suffered.

Mr. McKENZIE. They got it ready before cold weather really set in?

Capt. TEATE. In that way I do not think we were bothered any in regard to lights or water. I might say that we were compelled to use latrines dug in the ground, insanitary, way up until Christmas, on account of the plumbers not getting the water connections.

Mr. McKENZIE. How about the heat? Wasn't there delay in getting the heat in, due to the loafing of the plumbers?

Capt. TEATE. No; they did not have anything to do with the heat. We had stoves there, and that situation was handled admirably by some stove or furnace factory in Atlanta, and it certainly was handled very efficiently.

Mr. McKENZIE. What would you say as to the construction done at that camp?

Capt. TEATE. The unavoidable features of it were in connection with the cement floors in the latrines, etc. I think they made a mistake in the way of cement floors in the latrines, because the most of the floors in the latrines are not toward the drains but away from them. They were made later to slope toward the drains, but a great many of them were apparently made in a hurry and were not level and had a number of depressions in them which would fill with water and freeze and cause considerable trouble.

Mr. McKENZIE. Men would have to mop them by hand to dry them.

Capt. TEATE. There were some few latrines built later on, at the original works, that were sloped properly. I think these were in the new officers' training school.

Mr. McKENZIE. But in the original?

Capt. TEATE. In the original outlay they were all level that I came in contact with.

Mr. McKENZIE. And that made it very bad for the soldiers.

Capt. TEATE. Yes, sir; the fact is that I have had two men with broken collar bones from falls resulting from their slipping and falling in the latrines, where the water froze in depressions.

Mr. MCKENZIE. You are an Infantry officer, Captain?

Capt. TEATE. Yes, sir.

Mr. MCKENZIE. And, of course, have had some experience in drilling and maneuvering? I will ask you what you have got to say, in your judgment, as to the wisdom or folly of the original selection of this site for a camp?

Capt. TEATE. Well, I would not like to express an opinion. The fact of the matter is Camp Gordon was used to train a division, and has since been used for a replacement division, and as far as I hear it has turned out good men.

Mr. MCKENZIE. Well, of course, I might state this to you, Captain: Of course, you are an officer in the Army, and I understand that one of the first duties of an officer is to have respect for his superior officers, and not to give his opinion on matters that have been brought about by his superiors, but I want to say to you that the Secretary of War stated to this committee when we started this investigation, and also to the Committee on Military Affairs, that every officer in the service was perfectly free to express his opinion in connection with this or any other matters in connection with the Military Establishment. So you might feel at ease if you should state anything. If you do so, you will not be violating any ethics of the profession of a soldier, and can give an opinion as to the advisability of the locating of a camp on that sort of terrain.

Capt. TEATE. Well, Camp Gordon is not a perfect terrain, in my judgment. There is too much waste space. We call it dead ground. It can not be utilized either for building purposes or anything else, but as far as the vicinity near Atlanta, I do not know of any other place that is any better.

Mr. MCKENZIE. Now, of course, you understand, Captain, as we all do, that these camps were established originally for the purpose of training our boys as soldiers. Now, in this camp—I have never been in the camp, but I would like to know whether, in your judgment, there were the proper facilities and training grounds for training an army of the size that was mobilized at that place?

Capt. TEATE. There was not proper training space.

Mr. MCKENZIE. The grounds were not sufficient?

Capt. TEATE. No, sir.

Mr. MCKENZIE. They were not large enough to give you the advantage of good training?

Capt. TEATE. No, sir. The ground originally was divided into drilling areas when the Eighty-second Division was there. Each regiment was allotted its area, and ordinarily a battalion of that war strength should have had a larger area than that allotted to a regiment, which made it very difficult even for close-order drilling; but some of the regiments were left out and did not have any drill grounds in the inside of what we call the camp area. My regiment in particular had to march 3 miles to its drill ground. This forced us to eat our meals on the training ground, which was a very bad feature, especially in the wintertime, eating dinner on the drilling grounds.

Mr. McKENZIE. You state, however, that if a camp had to be located somewhere in the vicinity of Atlanta, that that was about the best place that could have been selected?

Capt. TEATE. It is about the best; and I am familiar with that country around there.

Mr. McKENZIE. You understand, of course, how those camp sites were selected?

Capt. TEATE. No, sir.

Mr. McKENZIE. You do not know anything about that?

Capt. TEATE. No, sir.

Mr. DOREMUS. I understand this site was selected by Gen. Wood. Was he in charge at that time?

Capt. TEATE. He was in charge of the Southeast Department at that time.

Mr. McKENZIE. Of course, we understand from the record that it was a committee of officers—or a board, it was called—that investigated the various sites and then reported to the commander of the division, and he then reported to the Secretary of War, and the approval of the commander of the division, as I understand it, helped in perhaps every instance but one or two. I am not positive whether it was two or one.

Capt. TEATE. Gen. Wood, I think, selected this site. It is the best in that locality. I think it was upon his approval, anyway. I understand that.

Mr. McKENZIE. Do you want to ask the Captain any questions?

Mr. DOREMUS. Did you have any experience in building operations?

Capt. TEATE. No, sir; not of that kind.

Mr. DOREMUS. And you are not prepared to testify as to how much waste enters ordinarily into a construction job of that kind?

Capt. TEATE. No, sir.

Mr. DOREMUS. Have you any idea how much lumber there was in that scrap pile that you refer to?

Capt. TEATE. No, sir; I am not familiar with lumber, but—

Mr. DOREMUS (interposing). Do you know how much lumber was used in the building of Camp Gordon?

Capt. TEATE. I have not the slightest idea.

Mr. DOREMUS. How long have you been in the Infantry, Captain?

Capt. TEATE. Commissioned, sir?

Mr. DOREMUS. Yes.

Capt. TEATE. Since August 15, 1917.

Mr. DOREMUS. Did you ever have any experience with troops?

Capt. TEATE. Previous to that?

Mr. DOREMUS. Yes.

Capt. TEATE. Yes; I was a sergeant of Infantry

Mr. DOREMUS. Whereabouts?

Capt. TEATE. From 1916—from June, 1916, until August 15, 1917, on the border.

Mr. DOREMUS. Were any divisions trained at Camp Gordon?

Capt. TEATE. Yes, sir; the Eighty-second.

Mr. DOREMUS. The Eighty-second.

Capt. TEATE. Yes, sir.

Mr. DOREMUS. Did the Eighty-second do any fighting during the war?

Capt. TEATE. Yes, sir.

Mr. DOREMUS. They did a whole lot, didn't they?

Capt. TEATE. Yes, sir; so I understand.

Mr. DOREMUS. And they were trained in Camp Gordon?

Capt. TEATE. Yes, sir.

Mr. MCKENZIE. They were also trained in France?

Capt. TEATE. Well, practically all of the divisions were trained over there, after being trained here.

I would like to say, in connection with Camp Gordon, that carpenters working there were, I think, very efficient.

Mr. DOREMUS. You do; whom?

Capt. TEATE. They seemed to have a system of gang bosses, or something of that sort, that caused those fellows to jump, and it was surprising the way they would run up a building and do the work. It was so much in contrast with the work of the others.

(The witness withdrew.)

#### ADDITIONAL STATEMENT OF MR. PEASE.

Mr. MCKENZIE. I would like to ask Mr. Pease a few questions.

You heard, Colonel, the statements made by Capt. Teate in connection with labor troubles at the camp. I would like to ask you what has been your experience in connection with the plumbers, steamfitters, gasfitters, electricians, etc.

Mr. PEASE. Mr. Chairman, I had trouble—some trouble with the plumbers and I had some trouble with the electricians. Now, I may qualify my statement with regard to the electricians and say "electrician." The union in Atlanta had an organizer by the name of Pollard, who was trying to induce the electricians—I might say to begin with that it was a closed shop there—he was trying to induce the men to join the union and to strike for an increase in pay. Of course, I was doing everything possible to prevent that from happening, but Pollard was slipping into the grounds; he would come into the camp and tell the men they had no business working for the money they were getting. He would make speeches—and, by the way, I got a lot of this information through the detective that was furnished to me—but I am glad to say that I finally prevented him from coming on the ground, and he did not manage to hurt the work during the time that I was there. The plumbers, on the other hand, did not give us what we considered a day's work. It was simply a question of taking 50 per cent efficiency or nothing at all, and the organizers would get them on the train and take them to some other camp or place, and we, consequently, would be without any at all or would have to take this 50 per cent efficiency.

Mr. MCKENZIE. That was your orders to them, or was it their ultimatum to you?

Mr. PEASE. It was their ultimatum to me, by them.

Mr. MCKENZIE. By whom, by the unions?

Mr. PEASE. By the foremen. I would talk to the foreman. I never heard it from any union organization. I always got this information from the foreman. If I or any of my officers would go

out and want to know why they did not get the work up faster, the foreman would throw up his hands and say, "I do not know what we can do. We are working these plumbers just as much as they will work, but they are not giving 50 per cent efficiency."

Mr. McKENZIE. Do you remember any names?

Mr. PEASE. I think it was universal. You can take any plumber foreman on the job and he would tell you the same thing.

(The witness withdrew.)

### TESTIMONY OF HARDY PADGETT, ATLANTA, GA.

Mr. McKENZIE. Please state your full name to the reporter!

Mr. PADGETT. Hardy Padgett.

Mr. McKENZIE. Where is your home Mr. Padgett?

Mr. PADGETT. Atlanta, Ga.

Mr. McKENZIE. How long have you lived at Atlanta?

Mr. PADGETT. I have lived there about 35 years.

Mr. McKENZIE. What is your business?

Mr. PADGETT. I am now in the road paving business.

Mr. McKENZIE. And how long have you been in the road contract construction work?

Mr. PADGETT. I have been in contract work since 1907. In the road paving, proper, since then. I went to Camp Gordon as auditor for the Smith Construction Co. in August, 1917.

Mr. McKENZIE. You spoke of the Lewis Smith Construction Co. and who is that; is that the Shelby-Smith?

Mr. PADGETT. He was the president of it at that time, and W. A. Hemphill was the secretary-treasurer.

Mr. McKENZIE. And that same firm had a contract for the construction of roads at Camp Gordon?

Mr. PADGETT. Yes, sir.

Mr. McKENZIE. About how much money was involved in that contract?

Mr. PADGETT. At that time, approximately \$100,000.

Mr. McKENZIE. And what other work did they do of the total amount of \$2,000,000, all told?

Mr. PADGETT. No, sir. They did work amounting to approximately \$400,000. That is based on expenditures made by us. Of course, railroad amounts are not included in that.

Mr. McKENZIE. Did not Markle have a contract at Camp Gordon?

Mr. PADGETT. They came on about December 5, and they relieved us.

Mr. McKENZIE. Where had they been doing work prior to coming to Camp Gordon?

Mr. PADGETT. They had been working throughout the city prior to the outbreak of the war, and I am told that they were at Camp Jessup, and Fort McPierce.

Mr. McKENZIE. What was the reputation of this firm?

Mr. PADGETT. Well, I knew nothing personally about the reputation, but I have known the contractors in general in the city of Atlanta, and they look upon him as a black sheep.

Mr. McKENZIE. What can you say about Mr. Simons, of the firm of Harrison & Simons. Did you see anything of Mr. Simons at Camp Camp Gordon?

Mr. PADGETT. Yes; Simons represented the detail work of the company, as the Harrison-Simons Co. had a lot of trucks that they attempted to keep busy by renting them to the various contractors out on the various cantonments. The first thing I knew of him was when our Mr. Smith introduced him to me, and told me to enter up, I think, two or three of his trucks at a test to see if they would pay over teams, to use them in hauling dirt on the road. That was my first meeting with him, and we found out his test showed fairly good, and he did quite a little bit of hauling, but finally was compelled to stop because the roads were muddy and he could not make much time on account of that.

Mr. MCKENZIE. What did Smith have to say about that?

Mr. PADGETT. About what?

Mr. MCKENZIE. About getting these trucks?

Mr. PADGETT. Smith watched it very carefully. We kept a check on the number of loads made, and the number of trips that the wagons made, and finally we found that when bad weather came on that we practically had to suspend work with the trucks, and then we found that we could use the trucks to take stone out of the filter beds, which we found they were well adapted for. We were engaging some of them, but we were not engaging enough to suit Mr. Simons, and I presume you want me to tell in regard to that.

Mr. MCKENZIE. Yes; tell the facts.

Mr. PADGETT. The first proposition was, as I say, we were only using a few trucks, and it was his business to keep all the trucks busy. Finally he had made himself very friendly and passed around very handsome cigars, and the boys and I accepted his cigars, because you could not keep from accepting them; it was the quickest way of getting rid of him. He claimed that the cigars cost him nothing, and that his brother shipped them to him. That was all right; he got no especial favors out of me, not out of me personally, but he came in one day and said, "Padgett," no, he called me "Hardy," he got very friendly; "Hardy, how many teams does Mr. Smith own personally of the company?" I said, "Three." Well, he looked like he did not believe it, so at last he says, "Of course, perhaps, I ought not to have asked you that question." And I said, "You are free to ask it, and if I did not feel satisfied to tell you the truth I would have told you that it was none of your damn business." He said, "Well, I have a little proposition to make to Mr. Smith, and I wanted to find first that information."

Within 30 minutes that Jew was talking to Mr. Smith, just out of my hearing, but within the office. It was in the warehouse used by us when the office was cut off, and he was out there in a kind of vestibule, and I heard Mr. Smith say, "Nothing doing," and then walked away and left him. I knew practically everything that Mr. Smith knew. I was his confidential man. And he said to me, "What do you reckon that Jew said?" I said, "I do not know." And he said, "That Jew wanted to give me a commission if I would use more of his trucks, and he came at me in a way and he said, 'Mack is doing it, and I want to do as well by you as by Mack,' and he said that the Jew was feeling his way; he would not come out absolutely, and he said that as soon as he could he told that Jew that he was the wrong man and just walked off and left him, but the Jew did make a statement that Markle was making a commission of 10 per cent out of it,

and we were paying \$15 for trucks; that is, \$1.50 per hour actual time worked on his trucks. They were Ford dump-body trucks that could load very quickly, being dumped right off the car on the trucks. They furnished everything—gasoline, oil, upkeep, tires, etc., at that price.

Mr. McKENZIE. Well, the conclusion that Mr. Smith came to, all that he came to was that Simons intimated that this man Markle was using his cars, and that the little Jew was getting a rake-off on the side?

Mr. PADGETT. No, sir; the conclusion we came to was that the Jew was either lying or else he was in some way giving Markle, or somebody connected with Markle, 10 per cent of what the pay roll amounted to at the end of the week. In other words, if he had a \$1,000 pay roll, why, somebody would get \$100 from the Jew as a fee for working the trucks.

Mr. McKENZIE. For getting the trucks put on?

Mr. PADGETT. Yes, sir.

Mr. McKENZIE. That is, for getting this particular Jew's trucks put on?

Mr. PADGETT. Yes, sir.

Mr. McKENZIE. What was his name?

Mr. PADGETT. Simons was his name; I have forgotten what was his first name.

Mr. McKENZIE. He was a truck broker?

Mr. PADGETT. He was a man, one of the firm of Harrison & Simons—Harrison, Simons & Co. The others did the clerical work of the company at the office, etc.

Mr. McKENZIE. Did you ever have any talk with Markle or any of his men to ascertain if it was true?

Mr. PADGETT. Mr. Smith and I, in many regards, find it the best policy to weed our own row there. We did not go to inquire, and we did not have the very best cooperation from the other contractors and were digging in the dirt and continued to dig in the dirt and behave. Mr. Smith and I talked the whole thing over, and we decided that it would be the best thing to say nothing about it, just forget it and attend to our business, and then something came up with the assistant of the chief clerk in the field officer's office about rebates. He just made some kind of a remark to me about the fact that there was something, he thought, going on in the way of rebates. Well, I said there was something that happened that did not look good to us, but I said we decided we would not say anything. This was within a week after this happened that I made that remark, and he said to me, "I think you ought to say something about it," and I said, "I am not privileged to say. I will talk to Mr. Smith about it"; but I did not get a chance to see Mr. Smith until—Mr. Rice was the man who came up. He came up and called me out, and he and I agreed that if there was anything that we could do, we would help and cooperate and do all we could to remedy it. Mr. Smith was in the office, and I asked him if I could tell him, and he said very frankly, "Tell him all," and so we just told all that we knew.

There was an investigation concerning it; I don't know; we were asked about it later on by some secret service men, but we never heard any more about it.



**Mr. McKENZIE.** Now, what was known as the Merrill Road Improvement Co. had a contract for building roads down there, did they not?

**Mr. PADGETT.** Not at the time we had; we had the only road-paving contract until—we first had the camp, and then just before Col. Pease left, Col. Pease gave us what is known as the Peachtree Road, a bad road between Atlanta and Camp Gordon; they awarded us that contract; they first asked for bids, and the bids were opened and we were the best bidders, but after due consideration they awarded it to us on the cost-plus, simply putting it on the original contract; just instructions to proceed with this work on the contract as of August 11. Well, we proceeded—there were two months there that we could not strike a lick, except to keep the camp passable; it was the roughest weather that Atlanta has ever known; I believe, from December 15 to February 1, and we had a very small organization that we kept draining places and making it, as I say, the roads passable. We even went so far as to cut wood to keep the soldiers warm when there were no niggers about. But, anyway, about March 1 we started on the Peachtree Road contract. When we had got the road so far as actual construction, I should say, about two-thirds finished, we were notified that there were no other funds available for the completion of the road and that we would have to cease operations. Well, we tried to handle it from that end and did not succeed, so Mr. Smith came to Washington and succeeded in getting additional funds, and that dragged along for about six weeks, and finally, when it looked like everything was straightened out and we should proceed with the work, the constructing quartermaster showed us a telegram in which there was objections, not to the company, I believe, but objections to Mr. Smith being on the job. That seemed to make other arrangements with other contractors and they seemed to think the Merrill Contracting Co. would be the most available contractor. So we got as busy as we could from that end. We were in the dark, we were not given any information as to why that should be, and in making a trip to Washington they seemed to be willing to reinstate the contract, and although they gave Merrill some of the work under a subcontract to hurry along the completion of the road. Now, the Merrill—I might state just how they got in. In our trip to Washington at that time Col. Chamberlain volunteered to give us—after reinstating us—volunteered to give us all the work in Camp Gordon which was contemplated. I believe he figured at that time about \$300,000 more, including the rifle range going up to Norcross, providing we would strengthen our organization by bringing in another contractor, and he asked us about Merrill, and Mr. Smith told him frankly that he would not have Mr. Merrill in because Mr. Merrill had done nothing but try to get the contracts from the day that we went in it, and then he asked who we could go with, and Mr. Smith named over Pittman, of Atlanta, and the Judson-Harvey Co., and the colonel did not think much of the Atlanta men; and then Mr. Smith jumped clear over to Chattanooga, and suggested several of them over there, and when he mentioned the Southern Paving Co. he said they were satisfactory people, that they had done considerable work, and he told Mr. Smith to go by Chattanooga and to make arrangements with the Southern Paving Co. for a joint

contract. Mr. Smith was anxious to get his contract back and to get his job along, and he hit for Atlanta instead, and it was about a week before he got over there. That was the beginning of the arrangement by which Merrill showed up on the job at Camp Gordon, the intention being to enter into partnership with them, but in the meantime the Merrill people were given some of this other work that we were promised in the camp and the Merrill people seemed to come down to represent the Southern Paving. So we never did enter into any arrangements with them, and the rifle range was held up; the war was practically at a close.

Mr. McKENZIE. The Southern Paving Co., as I understand it, manufacture bricks, do they not?

Mr. PADGETT. The Southern Clay Manufacturing Co., I believe, is the name of it.

Mr. McKENZIE. Well, are those the same people?

Mr. PADGETT. I understand the Lastleys own the stock. I am only speaking of an understanding without knowing. The Lastleys own the Southern Paving or the controlling stock in the Southern Paving and in the Southern Clay, and perhaps Merrill and several others.

Mr. McKENZIE. As a matter of fact, you were practically squeezed out?

Mr. PADGETT. Well, I would not say that. I hoped there was some reasons, or they thought they had reasons, and when they sifted it down they had none. I give the War Department credit for believing they could do better.

Mr. McKENZIE. Well, Mr. Padgett, what have you got to say so far as your observations went as to waste at Camp Gordon?

Mr. PADGETT. Well, being in that line of business rather than the road paving, I naturally watched every little thing as I went by without having time to stop and observe; I was just riding through the camp and riding over the camp, and I noticed outside of the fact that they got men from the country that could use a hammer and a saw and it did not need practical men to nail on weather boarding, just so they had a good man to lay it out; a carpenter—I forget what kind of a carpenter—

Mr. CHATLAND (interposing). A saw and hatchet carpenter!

Mr. PADGETT. Yes; about that. Almost any fellow that could hammer and saw could do that kind of work. No doubt some of them had hookworm and others you couldn't get them out of it if you put dynamite under them. But there was no intention on their part to defraud the Government, and they did make the wonderful progress, and I think the people got the spirit of work. I think the first four months at Camp Gordon was the best feeling they had of patriotism, more than they laid on when they got fat.

Mr. McKENZIE. Yes; speaking now of the carpenters?

Mr. PADGETT. Principally. The electricians and plumbers were people that more or less hid out; they did not come under my observation. I did not look for them. They were not in my business.

Mr. McKENZIE. Mr. Doremus, do you want to ask this young man any questions?

Mr. DOREMUS. I believe not.

Mr. McKENZIE. I have here several exhibits which I will ask to insert in the record at this point, being marked Exhibits 1000, 1001, and 1002.

(The exhibits referred to are here printed in full as follows:)

## EXHIBIT 1000.

## INTEROFFICE MEMORANDUM.

WAR DEPARTMENT,  
CONSTRUCTION DIVISION OF THE ARMY,  
December 19, 1919.

To: Lieut. Col. Couper, Division of Materials and Equipment Disposal.  
From: Principal Engineer, Division of Engineering.  
Subject: Relative costs of northern and southern construction at National Army camps.

1. This office estimates the cost of southern construction 6 per cent less than northern. In arriving at this estimate all utilities in the various buildings have been considered. The estimate includes all the various buildings which make up an entire camp and involves buildings which are identical for northern and southern construction.

F. B. WHEATON,  
Lieutenant Colonel, Quartermaster Corps,  
Acting Officer in Charge, Engineering Division.  
By A. B. McDANIEL,  
Principal Engineer.

## EXHIBIT 1001.

ROCKFORD, ILL., December 13, 1919.

Col. WM. T. CHANTLAND,  
Washington, D. C.

MY DEAR SIR: I have just received from the Rockford Lumber & Fuel Co. quotations on lumber as used in the temporary bridge over Rock River at Camp Grant. There are 55 units, i. e., spans, the lumber for which is worth \$168 for each of them to-day. What it did cost at the time of construction I don't know, of course.  $\$168 \times 55 = \$9,240$ . Allow \$760 more for waste (which I have already taken into consideration to a great extent in figuring up the amount of material) nails, bolts, screws, etc., \$10,000, and thus my estimate of \$15,000 for the bridge, including all labor, etc., necessary in putting it up, which I made offhand when you were here, was not very far off. Hoping this may be satisfactory, I am,

Very truly, yours,

TH L. LEON DE TISSANDIER.

## EXHIBIT 1002.

[Extract from memorandum of the Construction Division, dated Aug. 17, 1918.]

## GENERAL ORGANIZATION—CONSTRUCTION DIVISION OF THE ARMY.

(1) In May, 1917, the Cantonment Division was established, and October 5, 1917, the Secretary of War directed that all building and construction in the present emergency be executed by this division.

(2) On February 19, 1918, the Contonment Division was directed to report to the Office of the Chief of Staff and on March 13, 1918, was made the Construction Division of the Army.

(3) Under date of April 10, 1918, it was ordered that all plans, specifications, and estimates for construction work be prepared by or under the supervision of the Construction Division upon general requirements given in advance by the bureau involved, and, further, that all engineering services and services of contractors in connection therewith were to be obtained by the Construction Division.

(4) On June 21, 1918, the Construction Division was directed, in addition, also to maintain, as a live and up-to-date record, an approved construction program not only of projects undertaken by it, but also projects incidental to other contracts undertaken by a contractor of one of the other bureaus of the War Department.

(The following was ordered inserted at this point:)

LEAVENWORTH, KANS., December 20, 1919.

COL. WILLIAM T. CHANTLAND,  
Room 178, House Office Building, Washington, D. C.

SIR: I am inclosing herewith price list of lumber, per your request, as furnished me in 1917.

I hope that this will be satisfactory and answer your purpose.

Yours, truly,

J. W. WRIGHT.

J. W. WRIGHT, City.

DEAR SIR: Following are prices per M feet at which the material for the cantonment contract, covering the 10 barracks, 10 mess halls and kitchens, and 5 latrines was sold and furnished you, covering your contract with the quartermaster, Fort Leavenworth, Kans., during the month of August, 1917; prices are for all the material delivered on the building site:

6 bp 6, No. 1 yellow-pine timbers.....	\$33.00
2 by 6, 12-14-16 No. 1 yellow pine.....	28.00
2 by 6, 20 yellow pine.....	31.00
2 by 4, 12-14-16 yellow pine.....	31.00
2 by 4, 20 yellow pine.....	33.00
1 by 2, batten strips.....	34.00
2 by 4, 8.....	27.00
1 by 6, 12-14 No. 1 yellow pine S2S.....	33.00
1 by 12, 8 and 16 No. 1 boards.....	36.50
1 by 8, No. 1 boards S2S1E.....	32.50
1 by 3, 8 No. 1 yellow pine S2S.....	34.00
1 by 6, No. 1 yellow-pine flooring.....	33.50
1 by 4, No. 1 yellow-pine flooring.....	31.00

Prices for No. 2 dimension at that time would have been \$2.50 per M feet less than above; on the 1-inch No. 1 grade, depending on the sizes and lengths. The \$5 difference would apply approximately on the 12-inch boards, while the narrower widths, the difference on them would be less, but would average about \$3.50 per M feet.

Referring to your request for the approximate average freight rate on which lumber used in your cantonment contract moved, covering buildings erected by you at Fort Leavenworth, Kans., in August, 1917, all of this material moved on a 29-cent freight rate from points in Louisiana; part of it arrived before November 1, so there was no war tax on it, while some 16 or 18 cars arrived after this date and we were compelled to pay the additional 3 per cent war tax on the freight charges.

The average weight on this lumber, according to the Yellow Pine Manufacturers' Association's standard of weights, would average 2,500 pounds per M feet, so that the freight per M feet would be \$7.25 per M feet, and with the war tax added would average about \$7.50 per M feet. Some of the lighter items, like flooring, would be a little less than this, while rough stock, such as timbers, etc., would average from \$9 to \$10 per M feet, but as you had very little of the heavier material, it is safe to average the material at 2,500 pounds, or \$7.50 per M feet, including war tax.

We are unable to attach any of the freight bills for the reason that all of this material was bought by us from the mills at a delivered price, f. o. b. car Leavenworth, Kans., and we immediately returned the original expense bill to the mill when making settlement for the car. For this reason, none of the freight bills are in our possession.

Yours, very truly,

(And thereupon, at 4.45 p. m., the committee adjourned until Wednesday, December 31, 1919, at 10 o'clock a. m.)

SUBCOMMITTEE No. 2 (CAMPS) OF THE  
SELECT COMMITTEE ON EXPENDITURES  
IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
*Washington, D. C., Wednesday, December 31, 1919.*

The committee met at 10 o'clock a. m., pursuant to adjournment taken on Monday last, Hon. John C. McKenzie (chairman) presiding. Also present: Hon. Roscoe C. McCulloch and Hon. Frank E. Doremus.

Mr. DOREMUS. Mr. Chairman, before proceeding I would like to make a formal offer of some evidence to be incorporated into the record.

Mr. McKENZIE. You may proceed.

Mr. DOREMUS. On the 2d day of July, 1918, the Assistant Secretary of War, Benedict Crowell, appointed a committee known as the Board of Review of Construction, consisting of Francis Blossom, of New York, a member of the firm of Sanderson & Porter, engineers, of the American Society of Civil Engineers, of the American Society of Mechanical Engineers, of the American Institute of Electrical Engineers, and the American Waterworks Association; W. Sanders Davies, a member of the firm of Davies & Nield, public accountants, and also president and member of the executive committee of the American Institute of Accountants; Charles A. Morse, chief engineer of the Chicago, Rock Island & Pacific Railway and a member of the American Society of Civil Engineers, president of the American Society of Railway Engineers Association, Assistant Director of Operations, Engineering and Maintenance, United States Railroad Administration. This board was instructed to review the construction work rendered necessary by the war emergency and done by or under any subdivision of the War Department. The board was instructed to make a review from the standpoint of speed and economy and to include suggestions for improvements. The board made its report to Hon. Benedict Crowell, the Assistant Secretary of War, on September 8, 1919.

Mr. Chairman, I want to make a formal offer to introduce this report in evidence and have it incorporated as a part of our record.

Mr. McKENZIE. I think it is proper for me to say for the benefit of the record that my colleague, Mr. Doremus, has a perfect right to offer this document as evidence to be included as a part of the hearings of this committee; but as chairman of the committee, having examined this particular report at some length, I am fully per-

suaed that there are hundreds of pages contained in this report that are absolutely irrelevant to the matter under investigation by Subcommittee No. 2, and that it would be an imposition on this committee to have charged to its printing account the printing of this vast volume, which contains considerable matter pertinent to the matter under investigation, but the great bulk pertains more particularly to the inspection, the organization, and various evolutions of the Construction Division of our Military Establishment, including a personal history of the various officers of this division, and showing the personnel of the division after the various reorganizations and is replete with arguments for the continuation of the Construction Division as a separate organization in our present peace-time Military Establishment, all of which is perfectly proper if printed as an independent report, but to print it as evidence, assuming that it is relative to the question of expenditure of money in the construction of cantonments or camps, is far-fetched, in the judgment of myself as chairman of this committee. I will say, however, that I have suggested to members of the Construction Division, if they will take from this large volume the portions of the report relevant or pertinent to the matter under investigation, the chairman will have no objection to its being included as a part of the hearings, but I do feel that it would be an imposition on the committee to include this large volume, which contains many pages and which would be very expensive to print, and have it charged up to Subcommittee No. 2.

As a matter of history I think it would be well for the War Department to have it printed as a document, and I would have no objection to that on the floor of the House if anybody should ask to have it so printed; but having in mind the record of our committee and feeling that it is my duty to guard against expenditure of money, so far as possible, and cut out everything that is not pertinent, I certainly must object to the including of the entire report.

Mr. McCULLOCH. Has there been a motion made to include the report in its entirety?

Mr. DOREMUS. I have made a formal offer to introduce the entire report and have it incorporated in the record of the committee.

Mr. McCULLOCH. As I understand it, the chairman offers objections.

Mr. DOREMUS. Yes. Mr. Chairman, the report which I have offered in evidence is a detailed and connected history of all of the operations of the Construction Division during the war. So far as the expense involved is concerned, I question very seriously whether it would cost as much to print this report in our proceedings as it has already cost to print the testimony taken in reference to Walter Reed Hospital and St. Elizabeths, none of which was at all pertinent to the scope of our inquiry.

Mr. MCKENZIE. You can not get any quarrel with the chairman at that point.

Mr. DOREMUS. So far as the recommendations of the board of review of construction is concerned, I have no objection whatever to their elimination, because, as I understand it, that is a matter that properly belongs to the standing Committee on Military Affairs; but I do insist that everything in this report which bears upon the

operation of the Construction Division during the war emergency ought to be incorporated in the testimony.

Mr. McCULLOCH. As I understand it, that is substantially the chairman's statement?

Mr. DOREMUS. That may be, although the chairman and I may differ as to what there is in this report that is pertinent.

Mr. McCULLOCH. Who are you going to leave it to as the final arbiter?

Mr. DOREMUS. I think the easiest way is to print the entire report.

Mr. McCULLOCH. Leaving out the recommendations; the chairman says that part of it should go in and the gentleman from Michigan says that part of it should be eliminated.

Mr. DOREMUS. I have said that I have no objection to eliminating the recommendations, but I do think the balance of the report should be included in the record.

Mr. McCULLOCH. Let me ask further: Is the report to go into the record in connection with the testimony of anybody so that we will have an opportunity to question those who appointed this committee and made up this report?

Mr. DOREMUS. You undoubtedly have that right.

Mr. McCULLOCH. Is it in connection with anybody's testimony, or is it simply said, "Here is a report"?

Mr. DOREMUS. Col. Shelby suggested, I think, on Monday of this week that the report be incorporated into the record. I have read into the record the names of the men who constituted the board, and by whom appointed, and when they were appointed, and have now made a formal offer to introduce it into the record. Undoubtedly the committee have authority to call any of those men who have anything to do with the making of this report and ask them such questions as might be desired.

Mr. McKENZIE. Now, if my colleague will permit me to interject right there, I am objecting to this report going in as a whole on account of irrelevancy of much of the material to our investigation. In other words, I am not in favor of loading up our records with a lot of stuff that is not material or pertinent to the investigation. And I will say further that if we are going to accept this report, notwithstanding the names of the gentlemen composing this board, and those names you have already asked to be inserted in the record, I think it would be very proper for the members of this committee to put witnesses on the stand to find out who wrote this report and the men responsible for the various chapters written in this report.

Mr. DOREMUS. Well, the report shows on its face who was responsible for the report.

Mr. McKENZIE. We know the names at the head of it.

Mr. DOREMUS. This is signed Francis Blossom, W. Sanders Davies, and Charles A. Morse, constituting the board of review of construction. Of course, they are responsible for everything contained in the report.

Mr. McKENZIE. Well, in order to get along with this, Mr. McCulloch has had no opportunity to look this over, and I suggest that Mr. McCulloch take it into his room and look it over; you have had an opportunity to look it over hastily and I have had the same



opportunity, and I think he should have that opportunity. At this time I object to its going in as a whole.

Mr. DOREMUS. That is entirely agreeable to me; I am not insisting on its going in at this time, or its being disposed of at this time.

#### FURTHER TESTIMONY OF MR. L. B. WEHLE—Resumed.

Mr. McKENZIE. There are three papers handed to you, Mr. Wehle, marked as Exhibits 11, 12, and 13. Do you identify those papers as being the papers they purport to be on their face?

Mr. WEHLE. Yes, sir; I have here Exhibits 11, 12, and 13. Exhibit 11 is a rough draft of a form of contract made up of typewritten matter and also of matter clipped from the original print of the emergency construction contract. I identify that as being a draft which was prepared either by me or under my direction by two assistants some time in the summer of 1917.

Exhibit 12, is a carbon copy of a letter addressed to me and signed by Mr. M. C. Tuttle in typewriting, dated July 26, 1917.

Mr. McKENZIE. That is the M. C. Tuttle who was a member of the emergency construction committee?

Mr. WEHLE. Mr. Tuttle was a member of the emergency construction committee. I do not positively identify this letter, but my impression is that I did receive a letter of this kind from Mr. Tuttle.

Exhibit 13 is a letter addressed to Mr. Tuttle and signed by M. L. Cooke, of the storage committee of the General Munitions Board. I know Mr. Cooke's signature and identify it.

Mr. McKENZIE. I offer these three exhibits for the record.

(The exhibits referred to are here printed in full as follows.)

#### EXHIBIT 11 L. B. W.

##### CONTRACT FOR EMERGENCY WORK.

##### CONSTRUCTION OF ———.

Contract made and concluded this ——— day of ———, 1917, by and between ——— a corporation organized under the laws of the State of ——— represented by ——— its president, party of the first part (hereinafter called contractor) and the

##### UNITED STATES OF AMERICA

By ——— (hereinafter called contracting officer) acting by authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas it is advisable under the disturbed conditions which exist in the contracting industry throughout the country for the United States to depart from the usual procedure in the matter of letting contracts, and adopt means that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided:

Now, therefore, this contract witnesseth, That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:

## ARTICLE I.

*Extent of the work.*—(a) The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the following work:

in accordance with the drawings and specifications hereto attached, numbered from ——— to ———, and subject in every detail including any purchases made by the contractor for the prosecution of any work under this contract, to his supervision, direction and instruction.

(b) The contracting officer may, however, furnish from time to time such labor, materials, tools, machinery, equipment, facilities, supplies, and all other things necessary for the construction and completion of the work under this contract as he may see fit, provided that prior commitments and contracts entered into by the contractor in good faith shall not be interfered with.

(c) The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

(d) The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of Article II hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

## ARTICLE II.

*Special requirements.*—The contractor hereby agrees that it will:

(a) Begin the work herein specified at the earliest time practicable, and diligently proceed so that such work may be completed at the earliest possible date.

(b) Promptly pay for all labor, material, or other service rendered.

(c) Procure, and thereafter maintain, such insurance in such forms and in such amounts and for such periods of time as the contracting officer may approve or require.

(d) Procure all necessary permits and licenses, and obey and abide by all laws, regulations, ordinances, and other rules applying to such work, of the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.

(e) Unless this provision is waived by the contracting officer, insert in every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States; will make all such contracts in its own name, and will not bind or purport to bind the United States or the contracting officer thereunder.

(f) In every subcontract made in accordance with the provisions hereof require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.

(g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.

(h) At all times use its best efforts in all its acts hereunder to protect and subserve the interest of the contracting officer and the United States.

## ARTICLE III.

*Cost of the work.*—The contractor shall be reimbursed in the manner herein-after described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clamshell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineers' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof as it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair valuation at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid to the contractor and title thereto shall vest in the United States. At the completion of the work, the contracting officer may at his option purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor the difference between the valuation of such part or parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, such rates to be in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment, the contractor shall not be allowed any rental therefor.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work, subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during its use in the said work.

(e) Transportation and expenses to and from the work of the necessary field forces for the economical and successful prosecution of the work, procuring labor and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, foremen, and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is not applied to said work but is divided between said work and other work, his salary shall be included in this item only in proportion to the actual time applied to this work.

(g) Buildings and equipment required for necessary field offices, commissary and hospital and the cost of maintaining and operating said offices, commissary and hospital, including such minor expenses as telegrams, telephone service, expressage, postage, etc.

(h) Such bonds, fire, liability, and other insurance as the contracting officer may approve or require; and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with the written consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the fault and neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining any part of the contractor's profits, fees or bonuses, but shall be included in the cost of the work

for the purpose of determining whether the profit of the contractor shall be within the maximum percentage of profit hereinafter provided. The cost of reconstructing and replacing any of the work destroyed or damaged shall be included in the cost of the work only for the purpose of reimbursement to the contractor and for the purpose of determining whether the profit of the contractor shall be within the maximum percentage of profit hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract, and necessarily incurred. Expenditures under this item must be approved in advance by the contracting officer.

(f) Such proportion of the transportation traveling and hotel expenses of officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed by the contracting officer, it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers any or all freight charges on materials of all kinds, machinery, tools, supplies, equipment, and all things necessary for the construction and completion of the work under this contract, furnished under this contract, and certified by the contracting officer as being for installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall pay and as shall be specifically certified by the contracting officer, and all freight charges specifically certified by the contracting officer shall be included in the cost of the work for the purpose of computing bonuses for economies in the cost of the work hereinafter provided, and for the purpose of determining whether the profits and fees of the contractor shall be within the maximum percentage of profit hereinafter provided. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools and supplies of every character and certified to by the contracting officer, shall be treated as a part of the cost of the work upon which the contractor's profits and fees shall be based; provided, that the charges for transportation of such construction equipment, construction plant and tools over distances in excess of five hundred miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expense incurred in conducting the contractor's main office, or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work; nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

#### ARTICLE IV.

*Estimated cost.*—(a) The normal cost of the work to be done under the specifications under Article I (a) is \$——.

(b) The normal cost shall be increased or decreased for all work done by the contractor by order of the contracting officer in addition to the work done under Article I (1) herein, whether due to changes in design or due to the necessity for reconstructing or replacing work destroyed or damaged without the fault of the contractor. The contracting officer shall determine before the work on such additions, changes, or alterations is begun the sum by which the normal cost shall be increased or decreased on account of the cost of such additions, changes, or alterations.

(c) The estimated time for the completion of this contract is —— working days from this date. Such estimated time, however, shall be increased or decreased for all work done by the contractor of the character described in Article IV (b). The contracting officer shall at the time of his ordering of such changes or alterations in the work determine the number of working days by which the estimated time shall be increased or decreased on account of the time consumed by such work: *Provided, however,* That the estimated time shall be so revised by the contracting officer on account of time consumed in work

of reconstructing and replacing any of the work destroyed or damaged without fault of the contractor or on account of time lost by the contractor through strikes, lockouts, or other such causes beyond his control.

Whenever any articles or commodities necessary to the completion of or addition to, alteration, or change in any work under this contract, furnished by the contracting officer, are rented by or belong to the United States, they shall be included in the cost of the work or in the computation of expenditures at a sum, to be determined by the contracting officer, not greater than the rental rates for the particular items, as provided in Article II (c) herein; and if no rental rates for the particular items are provided in Article II (c) they shall be included in the cost of the work or in the computation of expenditures at a fair rental, to be determined by the contracting officer.

#### ARTICLE V.

*Profits and fees.*—(a) As full compensation for services of the contractor, including profit and overhead expense, except as herein specifically provided, the contracting officer shall, in the event that the work under this contract is completed to the satisfaction of the contracting officer, pay to the contractor, in the manner hereinafter described, the sum of \$——, hereinafter referred to as the "profit."

(b) When the normal cost is increased or decreased under the provisions of Article IV (b), the profit shall in like manner be increased or decreased \$—— for every full \$—— of such increase or decrease of normal cost.

(c) In addition to the profit provided for in Article V (a), (b), the contractor shall be allowed, as a fee for reconstructing or replacing any of the work destroyed or damaged, a sum equal to not more than —— per cent of the cost of such reconstructing and replacing as the contracting officer shall determine.

(d) In any instance where the contracting officer furnishes labor, materials, tools, machinery, equipment, facilities, supplies, and any other things necessary for the construction and completion of the work under this contract or for any additions, changes, or alterations ordered by the contracting officer under Article I (b) the profit and fees of the contractor shall be one-half the amount they would have been had the contractor furnished such articles and commodities himself. The contracting officer shall determine what such amount would have been.

(e) Where the contractor lets any subcontract permitted under the terms of this contract his profits and fees on work done under such contract shall be reduced —— per cent of such a sum as the contracting officer determined that he would have received as profits and fees under the terms of this article if he himself had done the particular work without such subcontract.

(f) The total profits and fees of the contractor allowed under this article, exclusive of all bonuses, shall in no case exceed 10 per cent of the cost of the work as determined under Article III herein.

#### ARTICLE VI.

*Bonuses.*—(a) In addition to any or all profits and fees provided in Article V hereof the contractor shall be paid a bonus of 20 per cent of any excess of the normal cost as increased or decreased as provided in Article IV (b) over the actual cost of the work done under this contract as determined in accordance with Article III hereof.

(b) In addition to any or all profits and fees provided in Article V hereof if the contractor shall complete any and all work required by the contracting officer under this contract to the satisfaction of the contracting officer in less than the estimated time for the completion of this contract as increased or diminished as provided in Article IV (c), he shall receive the sum of \$—— for every working-day by which said estimated time is diminished.

#### ARTICLE VII.

*Payments.*—On or about the 7th day of each month the contracting officer and contractor shall prepare a statement showing as completely as possible

(1) The cost of the work to the contractor up to and including the last day of the previous month; (2) the cost of the materials furnished by the contractor

officer up to and including such last day; and (3) an amount equal to 75 per cent of such a sum as the contracting officer shall determine to be the amount of the profits and fees earned by the contractor for the work completed up to and including such last day. And the contractor at such time shall deliver to the contracting officer such original signed pay rolls for labor, original invoices for materials purchased, and all other original papers not theretofore delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into such statement upon which the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor on or about the 9th day of each month the cost of the work mentioned in (1) and the fee mentioned in (3) of such statement less all previous payments. Statements so made and all payments made thereon shall be final and binding on both parties hereto except as provided in Article XV hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates above mentioned or for other lawful purposes. On final completion of such work the contracting officer shall pay the contractor the unpaid balance of the cost of the work and of the fee as determined under Articles V and VI hereof and all bonuses due the contractor.

#### ARTICLE VIII.

*Right to terminate contract.*—Should the contractor at any time refuse, neglect, or fall in any respect to prosecute the work with promptness and diligence or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days' written notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and rights, and may complete or employ any other person or persons to complete said work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work, and of all or any profits, fees, or bonuses as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental at the election of the contracting officer, for any equipment of the contractor retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of Article II, and in the event of purchase to be based upon the valuation determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind, on the part of the contractor hereunder or on account hereof.

#### ARTICLE IX.

*Abandonment of work by contracting officer.*—If conditions should arise which in the opinion of the contracting officer make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and

take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of all or any profits, fees, and bonuses as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment plus a fee to be computed in the following manner:

To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer and the amount of the cost of the articles and commodities furnished by the contracting officer, and such total shall be treated as the cost of the work upon which a fee and bonuses shall be computed in accordance with Articles IV, V, and VI hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged from and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

#### ARTICLE X.

*Inspection and audit.*—The contracting officer shall at all times be afforded proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda of every description, of the contractor pertaining to said work; and the contractor shall preserve for a period of six years after its completion and cessation of work under this contract, all the books, records, and other papers just mentioned. Any duly authorized representative of the contractor shall be accorded the privilege of examining the books, records, and papers of the contracting officer relating to said work for the purpose of checking up and verifying the cost of said work. The system of accounting to be employed by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor, or material, or other bills legitimately incurred by the contractor hereunder, are not promptly paid by the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such obligations past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer so to do, then the contracting officer shall have the right to pay such bills directly, in which event such direct payments shall not be included in the cost of the work except for the computation of bonuses for the cost of the work hereinbefore provided and in the computation of the cost of the work for the purpose of determining whether the profit of the contractor shall be within the maximum percentage of profit hereinbefore provided.

#### ARTICLE XI.

*Bond.*—The contractor shall, prior to commencing the said work, furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$250,000, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract, and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor in the prosecution and completion of the work provided for in this contract.

#### ARTICLE XII.

*Convict labor.*—No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

#### ARTICLE XIII.

*Hours and conditions of labor.*—No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor, or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act ap-



proved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld for the use and benefit of the United States; *Provided*, That this paragraph shall not be enforced, nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to this contract or any class of contracts in which this contract shall be included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by other extraordinary events or conditions on account of which, by subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or other conditions appertaining to said work, between the contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps which the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions: *Provided, however*, That prior to such instructions, and in the event that the contracting officer does not see fit to give such instructions, the contracting officer shall use his best efforts to settle such disputes in a manner which will, as nearly as may be, protect and subserve the best interests of the contractor, the contracting officer, and the United States.

#### ARTICLE XIV.

*Right to transfer or sublet.*—Neither this contract, nor any interest therein, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out this contract either with the transferrer or transferee, but all rights of action for any breach of this contract by the contractor are reserved to the United States.

#### ARTICLE XV.

*No participation in profits by Government officials.*—No Member of, or Delegate to, Congress, or Resident Commissioners, nor any other person belonging to or employed in the military service of the United States is or shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract so far as it may be within the operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

#### ARTICLE XVI.

*Settlement of disputes.*—This contract shall be interpreted as a whole and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider himself prejudiced by any decision of the contracting officer made under the provisions of Article IV hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, he shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.

#### ARTICLE XVII.

This contract shall bind and inure to the contractor and its successors.

It is understood and agreed that wherever the words "contracting officer" are used herein the same shall be construed to include his successor in office,

any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

By \_\_\_\_\_, *President.*

UNITED STATES OF AMERICA,

By \_\_\_\_\_, *Contracting Officer.*

# EXHIBIT 12. L. B. W.

JULY 26, 1917.

Mr. L. B. WEHLE,

901 Munsey Building, Washington, D. C.

MY DEAR MR. WEHE: I have looked over the contract marked "Storage, first rough draft." May I review one or two matters which I have discussed with you, perhaps, a little disconnectedly and at different times.

In all my work relative to the Government's building program I have tried to remember that the principal object of all our efforts should be buildings for occupancy at the earliest date possible. I have welcomed any suggestion which promised to help us toward this object. I have felt doubtful about any suggestion which promised delay or promised injury to the quality of any work under consideration.

Failure to deliver building and engineering works at the time required delays all processes which follow these operations. The importance of the building operations transcend their intrinsic importance. The Government can tolerate almost anything but delay.

I believe that from now on most of the Government's building operations will be of an emergency sort, in which time is the essence of the contract. I believe that quality is the second consideration and that cost takes the third place. Where lives are involved cost may well become a very trivial consideration.

I have thought a great deal about the best methods of contracting these operations, and have come to the conclusion that the best possible method for obtaining building and engineering works which are vital for carrying on war is the method which leaves but one decision to be made by the officer contracting for the work, namely, the consideration of what firm or which engineer is the very best available for this particular job. Any details which cloud this consideration seem to me dangerous.

Suppose that the Government vitally needed a new wharf for the shipment of supplies to the Army in France. Imagine yourself a contracting officer directed to make a contract for this wharf on a lump-sum profit basis. Assume that two contracting firms know that the work was to be done. One of these was splendidly equipped and had done a large amount of work of this sort, carrying a permanent organization and adequate equipment, and that it offered to handle this work for \$130,000 profit. Imagine the other concern, not nearly so well equipped, with a respectable though not quite so good a reputation as the first. Suppose that the volume of its work per year had averaged a half the estimated cost of the wharf and that they offered to handle the whole operation for \$50,000.

Under these conditions I believe that a situation like the following would result. You believe that the concern first mentioned would probably do the work in the time necessary and that their charge for doing it is a reasonable one, yet would it not occur to you that it was possible that they might fail to deliver as good work or as quick work as you thought they would, in which case the record would stand that you had spent \$80,000 more money than was necessary? You would be hampered in pleading that you did this because the first concern could build the work better and cheaper, because they have not done this thing. Would you not, under these conditions, be tempted at least to place the work with the smaller concern on the hope that they would get by satisfactorily and under the belief that you could at least plead that you had done the economical thing?

I think you will see the ramifications of this theory. I do not know of any way except a specified percentage, which will leave the contracting officer free to determine the award of contracts solely on the basis of merit.

I believe that the obtaining of the best concerns under the conditions with which we are working so vital that I should look a long time at any proposition which tended in the slightest way to prevent their selection, and I believe that the abandonment of the percentage contract would tend seriously to hamper the contract officers in their selection.

Very truly, yours,

M. C. TUTTLE.

EXHIBIT 13. L. B. W.

COUNCIL OF NATIONAL DEFENSE, *Washington.*

Mr. M. C. TUTTLE,  
*Emergency Construction Committee,  
Munsey Building, Washington, D. C.*

MY DEAR MR. TUTTLE: I have your letter dated July 26 transmitting a copy of your letter to Mr. L. B. Wehle of the same date. I have read both with interest.

I have not seen a copy of the proposed form of contract to which reference is made. While, of course, I am interested in it, we shall in the end lean on the emergency construction committee for advice in this matter.

It seems to me that the Government's experience up to date on contracts of different forms should afford a basis for a pretty comprehensive judgment on the value of a straight "cost-plus" contract.

It goes without saying that it will give me the greatest possible pleasure to discuss this or any other matter with you at your convenience.

Very truly, yours,

THE STORAGE COMMITTEE,  
By M. L. COOKE, *Chairman.*

TESTIMONY OF CLARENCE O. SHERRILL, COLONEL OF ENGINEERS,  
UNITED STATES ARMY.

(The witness was duly sworn by Mr. McKenzie.)

Mr. MCKENZIE. Colonel, give your full name, please.

Col. SHERRILL. Clarence O. Sherrill, colonel of Engineers, United States Army.

Mr. MCKENZIE. How long have you been in the military service, Colonel?

Col. SHERRILL. Twenty-two years, approximately.

Mr. MCKENZIE. Are you a West Point man?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. And you have been in the Regular Army all the time?

Col. SHERRILL. All the time; yes, sir.

Mr. MCKENZIE. Mr. McCulloch, you may proceed.

Mr. MCCULLOCH. Colonel, what department of the Army are you now connected with?

Col. SHERRILL. The Corps of Engineers.

Mr. MCCULLOCH. How long have you been connected with that department of the Army?

Col. SHERRILL. Eighteen years.

Mr. MCCULLOCH. Most of your Army service has been spent in that department?

Col. SHERRILL. All of it, as an officer.

Mr. MCCULLOCH. You were commissioned first as what?

Col. SHERRILL. Second lieutenant.

Mr. MCCULLOCH. And assigned to that department?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. And you have now reached the rank of colonel!

Col. SHERRILL. Temporarily; my regular grade is major.

Mr. McCULLOCH. What has been the nature of your work in connection with the Engineering Department?

Col. SHERRILL. It has consisted of various kinds of engineering work, both civil and military, including construction of roads, railroads, fortifications, river and harbor works, and the supervision of various kinds of floating devices, such as barges and dredges and earth-handling devices and things that generally come in the line of an engineer, in addition to my strictly military work.

Mr. McCULLOCH. How about camps; have you had to do with the construction work in connection with the building of camps?

Col. SHERRILL. No, sir.

Mr. McCULLOCH. Have you had to do with the surveying?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. What, if anything, have you had to do with the laying out of utilities?

Col. SHERRILL. Utilities of camps?

Mr. McCULLOCH. Yes, sir.

Col. SHERRILL. I have had no immediate duty connected with that work.

Mr. McCULLOCH. What, if any, study have you made of that phase of the Engineer Department's work?

Col. SHERRILL. That has been a subject I have studied in connection with other general studies I have made in connection with my profession.

Mr. McCULLOCH. Now, in addition to your work in connection with the Engineer Department and scope, state whether or not you have made reports or written any treatises upon the subject: and if so, what were they?

Col. SHERRILL. I have written two or three books relating to the subject of surveying and allied subjects.

Mr. McCULLOCH. Will you tell us what they were?

Col. SHERRILL. "Military Map Reading" is the title of one; "Military Rapid Reconnaissance Sketching," is another; and "Military Surveying," is a third, all combined in a book entitled, "Military Topography."

Mr. McCULLOCH. What use has that book been put to by the department?

Col. SHERRILL. It has been used by the Regular Army or National Guard, and also the Marine Corps as a text book.

Mr. McCULLOCH. State whether it was and is regarded as an authority upon those subjects by the Army? That may be an embarrassing question to you, but I do not know where else to get the information.

Col. SHERRILL. It has been used quite a number of years, and I suppose it is considered an authority.

Mr. McCULLOCH. What other authorities are available on the subjects and used as text books?

Col. SHERRILL. On the special work which I was dealing with, which was work adapted to officers in training and relating largely to the use of maps and grounds by troops and officers, there are a number of similar books which cover a portion of the subject—a part of the subject that is covered by instrumental surveying.

covered very thoroughly by books of civilians, notably Johnson's Survey, is a very good work.

Mr. McCULLOCH. Colonel, I have been very much interested in the progress of this testimony in determining in my own mind whether or not the Government did have prior to the war and when the emergency came on a real effective Engineering Department. We have spent a great deal of money in the way of appropriations trying to develop such a department, and I have been interested in knowing whether or not we did have an effective and intelligent Engineering Department at the time the war started, and prior thereto, and I am also interested in the personnel of that department at that time. I wish you would give the committee briefly some facts upon that subject, giving us the names of the men who were in the department at the beginning of the war, and whether or not in your opinion the Government did have an efficient Engineering Department at the outbreak of the war?

Col. SHERRILL. Yes, sir; the Government did have such a department, efficient and well-organized for engineering work.

Mr. McCULLOCH. I wish you would name some of the men in the department that stand out as men of ability.

Col. SHERRILL. At that time I would name among the most capable Gen. Black—Gen. W. M. Black—as one of the most capable. Another was Gen. Edgar Jadwin, who later made a success of the construction work in France. Gen. William C. Langfitt, and Gen. C. A. F. Flagler, and many others.

Mr. McCULLOCH. Were those men that you have mentioned men of national reputations in the engineering field?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. You say there many others; I wish you would give the committee just a general statement as to the number of men—the younger ones as well as the older ones in that department; I would like to get an idea of the scope of that department; was it large or was it small?

Col. SHERRILL. It was, I should say, it would be classed as relatively large.

Mr. McCULLOCH. By "relatively" what do you mean?

Col. SHERRILL. Well, as compared with engineering organizations in general.

Mr. McCULLOCH. Do you mean private organizations or public?

Col. SHERRILL. Private and public, and other Governments. This organization comprises not only capable engineer officers but a large number of qualified civilian engineers in every grade, from foremen up to engineers.

Mr. McCULLOCH. You mean they were employed as civilians?

Col. SHERRILL. They were employed and belonged to the organization as an integral part of it.

Mr. McCULLOCH. Were they men of such ability as to compare, in your judgment, with engineers in such similar departments in other Governments and in private organizations?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Were you in position to have practically your pick of engineers in this department throughout the country during the emergency, or times prior to the emergency?

Col. SHERRILL. Yes, sir; we did have the pick of all the engineers in the country, I should say.

Mr. McCULLOCH. So that you had the power to develop a great engineering organization?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Both just prior to the emergency and during the emergency; is that correct?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. State whether or not you did so develop such an organization?

Col. SHERRILL. The Corps of Engineers did develop such an organization.

Mr. McCULLOCH. Just one other thought I want to get into the record in this connection. I think it has already been developed in the testimony, but I want to develop it in connection with your testimony: As I understand, the West Point Military Academy, which was originally intended as an engineering school, has furnished for your department, year by year, a number of graduates, and that the policy was to furnish the Engineering Department with probably three or four or five of the men who held the highest rank in the classes that were graduated; is that true?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. In other words, the top ones had their choice of going into the Engineers, and it was considered an honor to be in a position to make that choice; is that correct?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. So that during a period of years this department had the pick of the men that the Government was training for military work; is that right?

Col. SHERRILL. That is correct; yes, sir.

Mr. McCULLOCH. What do you say in regard to the ability of the men who were officers in the personnel, other than those you have named, as to being capable engineers; that is, the younger men who had not reached the rank of the generals you have mentioned; what was their ability?

Col. SHERRILL. I consider that the average of ability in the organization at the outbreak of the war was high throughout. Of course, there are certain exceptions—a very few men who were not satisfactory, as there always will be, but the general type of officer and engineer employed in the Engineering Department is high and always has been high.

Mr. McCULLOCH. Now, would you say that that was true, that their ability was high, and that was true both as to their technical knowledge and their practical ability?

Col. SHERRILL. I do.

Mr. McCULLOCH. It would apply to both?

Col. SHERRILL. It does.

Mr. McCULLOCH. So that they were not only well educated and well trained, but they had the practical experience to carry into effective operation any plan that might be necessary to be carried out; is that correct?

Col. SHERRILL. They did.

Mr. McCULLOCH. The war necessitated a great amount of construction; isn't that true.

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Both here and abroad?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. You have mentioned that the representatives of your department carried on efficient construction abroad; what did that consist of?

Col. SHERRILL. That consisted of the necessary shelter, utilities, and facilities for caring for the troops sent by the United States to France of every nature.

Mr. McCULLOCH. Camps, utilities in camps—

Col. SHERRILL (interposing). Camps, utilities, docks, warehouses, wharves, railroads, and in fact everything from the most advanced line—from dugouts to the most stable construction back at the ports.

Mr. McCULLOCH. Now, tell the committee how that construction work abroad was carried on, and under whom?

Col. SHERRILL. That work was carried on by every facility that the locality afforded; every method was used; a certain amount was done by contract; a large amount was done by what we called hired labor.

Mr. McCULLOCH. Under whose direction?

Col. SHERRILL. All of it was done under the direction of the engineers—the Engineering Department. A still larger part was carried on by the troops under the direction of this same department. The construction in the services of supply was carried on under the immediate direction of the section on construction and forestry, which was a section in the Engineering Department of the American Expeditionary Forces.

Mr. McCULLOCH. You say some was done by the troops?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Men in the service and drawing the stipulated sum of \$30 a month?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. But that the supervision, as I understand it, was under the direction of the Engineer Department?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. State whether or not that work was carried on efficiently, rapidly, and successfully?

Col. SHERRILL. It was carried on efficiently, rapidly, and remarkably successfully under the conditions that existed.

Mr. McCULLOCH. Colonel, recognizing the emergency, the necessity for quick action in order that the troops might be sheltered, and that we might get our men trained promptly, quickly, and efficiently, what do you say as to whether or not your men had the organization and personnel to carry on that work of construction with the least delay, and whether or not you demonstrated that in your work abroad?

Col. SHERRILL. We had the preliminary organization and could have carried it on effectively with no dislocation whatever in our operations, and this was fully demonstrated by the work later done in France, where the difficulties were much greater than those in the United States.

Mr. McCULLOCH. Colonel, it has been stated here time and time again in the testimony of witnesses who appeared that because of the



necessity for prompt action; because delays would be dangerous, that it was not practical to have work of constructing camps and the laying out of utilities and making surveys and doing all these things necessary to have our soldiers quickly sheltered and encamped in a way where they could be quickly trained—that because of the necessity for prompt action, the necessity of having the Army—the Engineer's organization—go about the construction of this work would not be practical and that it was necessary to reach out and follow out the cost-plus system and another system, rather than having the Army engineers go on the job and with their organization build these shelters and get grounds ready. What do you say as to whether or not the Government was equipped with an organization at that time that had the men who had the ability and the training to do this work quickly and efficiently? I wish you would tell us your views in the light of your 22 years' experience in the Engineering Department, and in the light of your experience in this emergency.

Col. SHERRILL. I do not agree with that conclusion, that the Engineer Department was not so organized as to be able to have effectively and promptly carried out the necessary construction at the outbreak of the war. In fact, the Engineer Department was and is organized so that with no difficulty whatever it could have so allocated this construction work among the then existing construction districts as to have accomplished it in a very brief time, economically and efficiently.

The Engineer Department has approximately 35 engineering districts located throughout the country for civil work and for the construction of military work. Some of those districts carry on both civil and military construction, as, for instance, the district at Norfolk carries on all fortifications works in that district, and carries on all works necessary for the development and upkeep of the river and harbor improvements. To any one of those districts there could have been assigned the construction of one, two, or three cantonments, and it could have been done as a part of their routine, just as any other work was done, without any interruption whatever. For instance, the officer who was in charge of the Wheeling district at the outbreak of the war told me this morning, in speaking of the matter, that he could have handled the two camps, the one at Chillicothe and the other one in that section, with his organization, without the slightest difficulty whatever.

Mr. McCULLOCH. Was he called upon to do so?

Col. SHERRILL. He was not.

Mr. McCULLOCH. Can you give us any other instances, Colonel, where, in your judgment or in the judgment of men in your department, this work could have been carried on; or does your statement contemplate that that situation applied all over the country?

Col. SHERRILL. All over the country.

Mr. McCULLOCH. And that you did have in all these various districts organizations already organized that could have carried out this work promptly, economically, and without delay; is that right?

Col. SHERRILL. That is correct.

Mr. McCULLOCH. Now, as I understand it, from your testimony the department having an organization distributed over the United States in districts and having been carrying on work—that is, construction work—that your department, by reason of that organization

and that experience was made familiar with labor conditions and the material markets all over the United States; is that correct?

Col. SHERRILL. That is correct.

Mr. McCULLOCH. State whether or not you would have, or did have, in these various subdivisions, information as to the material markets, the material that would be available, and the labor conditions.

Col. SHERRILL. The full information is constantly on hand in every district relating to the local markets for engineering materials, labor, and supplies.

Mr. McCULLOCH. What do you mean by engineering materials?

Col. SHERRILL. Necessary supplies, equipment, and other facilities for engineering structures of every kind, because in the administration of our routine work we are called upon to build all types of structures, buildings, subaqueous structures, structures using stone, wood, or concrete, and everything that comes in the line of an engineer's duties.

Mr. McCULLOCH. Going particularly to your conversation this morning, who did you talk with?

Col. SHERRILL. It was Col. T. H. Jackson, who was at Wheeling at the outbreak of the war, and who was later engineering purchasing officer in France during the war.

Mr. McCULLOCH. You say you had a conversation with him this morning as to the conditions in that district and his ability to have pursued the work there, and you have said, as I understand, that those conditions existed as to all the districts practically alike; is that true?

Col. SHERRILL. That is true.

Mr. McCULLOCH. I wish you would tell the committee how would your organization, had they been called upon to build that camp at Camp Sherman, how would you have proceeded?

Col. SHERRILL. The Chief of Engineers would have notified the district officer at Wheeling that he was put in charge of building two cantonments, giving him the location and such information as was available. He would have outlined to that officer the general methods that he should follow. He undoubtedly would have informed the district officer of the different types of works to be constructed, the time at which those works must be completed, and he would have asked the district officer to at once make an investigation and report on the best methods to pursue in accomplishing that result. The district officer, I have no doubt, would have investigated the labor conditions in the vicinity of those camps and material markets and would have made up his mind what methods he should follow.

It happens that in this particular case Wheeling, the district officer, told me that he would have followed the day-labor method and would have had no difficulty whatever; that is, he would have sent out from his organization a small group of engineers and surveyors who are normally in the employ of the districts, and by the addition of such labor, technical and nontechnical men, as were needed he would have supplemented that and started on a survey of the site while the types and plans were being prepared in Washington and forwarded to that office giving the information. In the meantime he would have placed orders; as soon as he was given the character of construction he could have placed orders for the mate-

rials, so it could have been on the ground promptly. And by working immediately on such portions of the work as could be started he would have been in good shape to erect the buildings and other structures when plans were completed. His first work, as I said, would have been probably to make a survey, and then lead out and construct his roads and railroad connections and yards, so that the remainder of his construction would have had the advantage of those utilities and thereby be rushed and be produced much more cheaply than otherwise. I see no reason why there should be delay in starting work at once.

Mr. McCULLOCH. You had the organization; is that correct?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. You had the information as to conditions?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. In these particular districts?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. And you had the engineers capable of supervising the work; is that true?

Col. SHERRILL. Yes, sir; I should limit that by saying, by the necessary expansion as the work developed.

Mr. McCULLOCH. Well, that is always true in every organization.

Col. SHERRILL. Yes, sir; we do that in every job; we expand on it as it develops and draw in on it as the work lets down; it is a perfectly normal arrangement in every work.

Mr. McCULLOCH. You say that these camps, these buildings and shelters, could have been built economically. What do you mean by that?

Col. SHERRILL. I mean there would have been no waste of Government money; that every dollar the Government appropriated would have gone into useful construction at the lowest practical prices.

Mr. McCULLOCH. You say that it could have been done promptly and without delay?

Col. SHERRILL. I do.

Mr. McCULLOCH. Will you elaborate on that—how you would have been able to have accomplished the work promptly and without delay?

Col. SHERRILL. One of the greatest causes of delay in undertaking a large piece of work is due to a lack of organization with which to start the work and get it going; therefore the engineers were in position to have eliminated that large element of delay, because the organization was ready made to initiate this work without any delay, and they could have taken it up step by step as the plans allowed the work to be pushed, so I do not believe there would have been any unnecessary delay. In other words, if the work had been properly prosecuted, as I believe we could have prosecuted it, the district engineers would have had their plans so made that each piece of work would have fitted into the other, and although there may have been some delay in some portions of it, such as, for instance, the type plans, they would have been in such shape that when the type plans came along they could have been put up like that [witness snaps his fingers].

Mr. McCULLOCH. You give me more respect for my country when you talk like that. It has been advanced before this committee that when this war came on we were absolutely without any organiza-

tion to do this work; we had to call in contractors' organizations; that because of a lack of engineering facilities and plans that we were delayed and had to bring in a number of men here, and a committee made up of civilians outside to do this work—contractors; now, as I understand you, the Government did have the organization and did have the facilities to do this work itself, promptly, efficiently, and without delay; is that true?

Col. SHERRILL. That is correct. I do not wish to say that the Engineering Department would not have used contractors, because in our normal operation we use contractors probably more, or at least as much as any other governmental agency; we use contractors very advantageously; but we would not have turned over the construction of this work to an outside organization; it would not have been necessary.

Mr. McCULLOCH. You had the organization?

Col. SHERRILL. We had the organization.

Mr. McCULLOCH. But in truth and in fact this work was turned over to an outside agency, was it not?

Col. SHERRILL. I don't know about that; of my own knowledge I do not know the circumstances.

Mr. McCULLOCH. You were not called upon to do it?

Col. SHERRILL. No, sir.

Mr. McCULLOCH. Well, your department was not called upon to do it?

Col. SHERRILL. It was not.

Mr. McCULLOCH. In the United States at that time?

Col. SHERRILL. It was not.

Mr. McCULLOCH. When you say, Colonel, that you would have utilized contractors and you have stated in your testimony that you used every facility available, I wish you would tell the committee how your department, had it been called upon to do this work, would have utilized every agency available in the construction of the work?

Col. SHERRILL. The quickest method, I should say, of getting the work started, in view of the uncertainty of the scope and type of the work to be done, would have been to use the hired labor method that I spoke of a moment ago; that is, in getting it started.

Mr. CULLOCH. What do you mean by "hired labor"?

Col. SHERRILL. That is, our engineering forces, our nucleus, would have gone on to the ground and brought in the necessary labor, paying them so much per diem or per month, under the engineering forces; that is the method we call the hired labor. That is one I have used largely on the Mississippi River, where I had constantly from 5,000 to 10,000 laborers working, depending on the work to be done. It is a very useful method where the type and scope of the work to be done is not determined. As soon as the preliminaries on the camps had been accomplished, there would have been many cases where you could have called in contractors and indicated the character of the construction and the types of buildings and within a reasonable percentage the amounts or bids could have been secured.

One of the most natural methods would have been to state, if a cantonment was to have a thousand buildings of such a general type and character of construction, to have asked the contractors to have bid on those buildings at so much lumber in place per thousand feet; there you would have had competition on a very equitable

basis. There might have been cases where it would have been possible to have awarded a lump-sum bid, for so many buildings, so many hundreds of thousands of dollars, and so on, the contractors again having an opportunity to bid competitively. There might have been other cases where it would have been desirable to have contractors to do the work on an actual cost-plus percentage.

Mr. McCULLOCH. Give us an instance as to what conditions might arise that would make that kind of contract desirable.

Col. SHERRILL. If the character of the work to be done were extremely unusual and the officer directing the work himself was not at all informed as to the scope or character of the work—if it was new work, of an entirely new and unusual type of work and the difficulties could not be foreseen in any way—that might possibly have been done; but in a cantonment construction where the type of construction was so simple I can not think just now of any occasion for that method of work, though there may have been cases where it was desirable. For instance, there was one case where it might possibly have been used, that would have been in connection with, possibly, the facilities connected with the sewer system; there might be contingencies there that it would be hard to have contractors bid on them. But preferably to the cost-plus system it would have been better to build it under hired labor.

Mr. McCULLOCH. Under the direction of the Government engineers?

Col. SHERRILL. Under the direction of the Government engineers, but there would be cases, perhaps, where the cost-plus system would be the best.

Mr. McCULLOCH. But it would be where the conditions would be such as you have detailed?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. What do you say as to whether or not it would have been advantageous—whether or not you would have recommended the cost-plus system in the building of shelters, such as were built in cantonments; simple shelters; do you think that would have been wise?

Col. SHERRILL. I don't think that would have been necessary or desirable.

Mr. McCULLOCH. Why do you say it was not desirable?

Col. SHERRILL. Because any cost-plus system, no matter how many safeguards you throw around it, is a dangerous one for the Government to use, and opens the door to both inefficiency and fraud, and, therefore, should be only used with the greatest care, and should be only used when absolutely essential and in connection with contractors of the highest repute and absolute undoubted integrity.

Mr. McCULLOCH. With the knowledge you have of this situation and the emergency and the nature of the shelters it was necessary to build, and bearing in mind the necessity for prompt action, what do you say as to whether or not the use of the cost-plus system would be advisable?

Col. SHERRILL. I consider it was not advisable.

Mr. McCULLOCH. Or necessary?

Col. SHERRILL. Or necessary. I would like to modify that to this extent: I am not familiar with the organization that handled this construction, and under their organization they may not have had

the necessary facilities for executing this work on any other basis; but I am assuming that under the engineering department it would not have been necessary.

Mr. McCULLOCH. Well, you did have the organization necessary?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. And you did have the organization available during the emergency?

Col. SHERRILL. We were available, but it was not our duty and we were not called upon to do it.

Mr. McCULLOCH. I say, you were available?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. But you were not called upon?

Col. SHERRILL. No, sir.

Mr. McCULLOCH. You heard Gen. Black say that he had a conference with Gen. Sharpe on this proposition, did you not?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Looking to this very proposition?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. And that the information was conveyed to those in authority that you had the facilities to go ahead with this work?

Col. SHERRILL. That, I believe, was reported by the Chief of Engineers.

Mr. McCULLOCH. And you were ready to do it?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. But, in fact, you were not called upon to do it?

Col. SHERRILL. No, sir.

Mr. McCULLOCH. What do you say, Colonel, as to whether or not under the day-labor system, when you had this large number of employees, working by the day under you on the Mississippi River project, or any other project that came under your supervision, whether or not you were able to get a day's work out of your labor for the amount paid?

Col. SHERRILL. There was never any question about that.

Mr. McCULLOCH. Did you get it?

Col. SHERRILL. We did get absolutely an honest day's work for a day's pay, I am sure.

Mr. McCULLOCH. And the Government got value received for what it spent?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. For labor?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Have you made estimates of work of this nature of more complicated construction prior to the work, and have you been able, in carrying on the work, to keep within those estimates within reasonable bounds, time and again?

Col. SHERRILL. Oh, yes; we do that constantly. But I would like to say that engineers, no matter how carefully they may make their estimates, often find that it is necessary to vary considerably from them, due partly to incomplete data at the time the estimate is made, and due to change during the course of the work; but aside from those variations the cost usually runs within the estimates. It is quite as much an objection to estimate excessively so that you can show a saving on engineering work as it is to estimate too low.

Mr. McCULLOCH. Well, your estimates, you attempt to make them as accurately as possible?

Col. SHERRILL. Yes; for our own action we try to be honest in our estimates and try to make them correctly.

Mr. McCULLOCH. Colonel, it has been urged here time and again, both as a reason for the system that was put into operation and for many other reasons too varied for me to put into a question, that the emergency demanded certain things. Has your department been at any time, or at various times, confronted with emergencies where the work had to be done quickly and promptly?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Have you been called upon to do work quickly?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. And what has been your experience in carrying it out and bringing it about and accomplishing all the work desired in an emergency; have you been able to do that?

Col. SHERRILL. Oh, yes.

Mr. McCULLOCH. Do you believe that you would have been able to have met this emergency had you been called upon?

Col. SHERRILL. I have no doubt of it.

Mr. MCKENZIE. I want to ask a few questions here. Colonel, you have had 22 years' experience in the Regular Army?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. And you are familiar with the workings of this establishment?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. Prior to the war general construction was carried on under the Quartermaster Corps, was it not?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. And the officers in the Quartermaster Corps were detailed from the line, were they not?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. Such as the Infantry?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. And the Cavalry and the Artillery officers?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. Men who had had no experience in construction is that true, or many of them?

Col. SHERRILL. Yes; men who not necessarily had had experience, but from time to time one would be found who had had experience.

Mr. MCKENZIE. But as a rule they were not men trained in construction work?

Col. SHERRILL. As a rule, they were not.

Mr. MCKENZIE. Their business had been that of a soldier?

Col. SHERRILL. Yes, sir.

Mr. MCKENZIE. Now, when the war came on, it is stated that was found in the Quartermaster Department, representing the construction division of the Quartermaster Corps, only three officers, Gen. Littell, Col. Oury, and Col. Marshall—I believe he is now Gen. Marshall—and the question of construction immediately arose; they had those three officers. The Engineering Department, according to your testimony, which I think the facts will bear you out, had a large, well-disciplined, well-trained organization of officers experienced in construction; is that true?



Col. SHERRILL. That is correct.

Mr. McKENZIE. The question of construction coming up, the first thing that was done, or one of the first things that was done, as I recollect it, was to have the construction division of the Quartermaster Corps call on the Engineering Department to allot a certain number of officers to the Quartermaster Corps, and if I remember correctly 68 officers were detailed from your organization to the Quartermaster Division; that is true, is it not?

Col. SHERRILL. Early in the war the conditions you have mentioned, the Chief Quartermaster at that time, I believe, secured from the Chief of Engineers a certain number of officers that belonged to the Engineering organization. I am not prepared to state how many, but my impression is that those officers that were assigned had been, in general, only rather a limited time with the organization. The Chief of Engineers very wisely, a couple of years before the war, had taken time by the forelock and had begun to build up a very strong organization in addition to his normal organization—a very strong organization of Reserve Officers, and at that time I was stationed in Panama, and I was member of the board to examine those applicants, and I recall that our instructions were very strict as to the requirements, and in making my examination I considered those men quite as carefully as I would have considered men to come into the permanent Engineering Corps. I remember it quite well. And the result of that was—I think it was done everywhere—the Chief of Engineers secured a large number of men who were available on call and who did come as he called them, to go into the Engineering organization. The men, therefore, who went over into the Quartermaster Department from the Engineer Corps were of that type; they were not men in our organization in general. In other words, we did not touch our regular organization, but took those men from this large body and assigned men of the qualifications we had to the Quartermaster General.

Mr. McKENZIE. Now, your organization was built up under the national defense act?

Col. SHERRILL. Yes, sir; the act of 1916.

Mr. McKENZIE. Provision was made for that?

Col. SHERRILL. Yes, sir.

Mr. McKENZIE. Whatever the number was, you say they were civilian engineers; a little later it was decided to create what was known as the construction division in the Quartermaster Corps; is that true?

Col. SHERRILL. Yes, sir.

Mr. McKENZIE. Now, where did they get the men to make up that organization?

Col. SHERRILL. They got the men from the same source that the Chief of Engineers had drawn his reserve officers; from civil life and such men as had not been drawn into the Engineering Corps were available for that purpose.

Mr. McKENZIE. I want to ask you whether or not in your judgment it would have been better military policy to have forgotten the old idea that construction should have been done under the Quartermaster Corps and simply assigned construction to the Engineering Corps, and wouldn't it have been possible for you to have

gotten all the able engineers who went into the Construction Corps and attached them to your organization?

Col. SHERRILL. There would have been no doubt about it whatever.

Mr. McKENZIE. And wouldn't you then have had a military organization?

Col. SHERRILL. That is true; a single engineering organization to do all the engineering work of the Army is an absolute essential, and it could have been done without any difficulty whatever.

Mr. McKENZIE. Do you feel from your experience that the members of the Engineering Corps are competent to carry on the ordinary simple construction necessary for the Military Establishment in times of peace?

Col. SHERRILL. They are.

Mr. McKENZIE. Do you believe that it would be good policy, or is it necessary either from a military or economical standpoint, to at this time create a separate corps in our Military Establishment to look after the construction work in our Establishment in peace times?

Col. SHERRILL. I consider that it would be inadvisable and wasteful and entirely unnecessary—a Corps of Engineers and a Construction Division.

Mr. McKENZIE. Then it is your idea that all of the construction in the Military Establishment should be taken over by the Engineer Corps and that the idea that they shall be required to build the fortifications, take care of the river and harbor improvements, but that they can not put up a 20 by 40 building at a military post is a mistaken idea as to the ability of the engineers: is that your opinion of it?

Col. SHERRILL. That is my opinion. It is a general rule that if a man can accomplish a more difficult piece of work, he can accomplish the less difficult of the same type. Everyone familiar with the subject will admit that the Engineer Corps in its work of building river and harbor and fortification construction has the most difficult type of construction that civil engineers face. Take the subject of the lock gate, there is no structure designed by the engineer that is more difficult, on account of the varying pressures and stresses to which it is subjected; consequently the building of simple structures at a cantonment would not have presented features not entirely familiar to the men in the engineering organization.

Mr. McKENZIE. Another question, and I apologize to my colleagues for asking these questions; they are not really pertinent here, but they are pertinent to matters pending before Congress. In your judgment, would not the experience the Engineers would get in times of peace be beneficial in war?

Col. SHERRILL. It would be of the utmost benefit. I have been in command of an Engineer regiment, trained it for France, and been in command during the war in France, and I know many times when my regiment was working on simulated structures where they could have put up the buildings at Camp Upton with great benefit to them, and with economy and benefit to the Government.

Mr. McKENZIE. I am asking you these questions because they are questions that will come up in the future. It is the duty of Congress to see that the Military Establishment is organized along the

most efficient lines possible; that in times of war the country will be able to take care of the problems confronting the country; and the question will arise as to whether or not the construction shall be placed under the engineers, or under the Quartermaster Corps, or under a separate organization; and I have asked these questions to get your judgment, believing that you ought to know something about it, as a sort of a guide when the proper time comes to settle these questions.

Col. SHERRILL. Mr. McKenzie, I consider it an absolute calamity to the Government and to the Army if this anachorism to engineering organizations were maintained in the Government in the future. It is absolutely of no moment to me personally whether we have the Construction Division or do not have it; my rank is the same in any case. I am perfectly agreeable to a single list of promotions. I have no fear in any case, for the reason that I have offers considerably more than double my pay to go outside, so I want to indicate that from a personal point of view I have no interest at all, but I am interested in a sound organization for the Government; and we might as well have a medical organization to treat the Army in times of peace and another one to attend to them in time of war as to have a Construction Division in time of peace and a different division in time of war; that it would be an absolute analogy.

Mr. McCULLOCH. What is the purpose of the Military Establishment?

Col. SHERRILL. The purpose of the Military Establishment is to be prepared at all times to meet external and internal enemies of the Government and destroy them.

Mr. McCULLOCH. The purpose of a military organization, therefore, is to be prepared for war?

Col. SHERRILL. To be prepared for war ultimately in all cases, and that is the only ultimate object of it.

Mr. McCULLOCH. And that is the ultimate object of it?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. As I indicated in a former question to you, we have a military academy at West Point from which your department has drawn men, and your department's importance is recognized by permitting men who stood highest in their classes on graduation to enter your department; it was considered an honor. You have carried on in time of peace construction projects, have you not?

Col. SHERRILL. We have.

Mr. McCULLOCH. And in carrying on those construction projects in peace times you were keeping your organization together and your men busy; isn't that correct?

Col. SHERRILL. That is correct.

Mr. McCULLOCH. You were developing their ability and adding to their experience in construction lines, were you not?

Col. SHERRILL. We were.

Mr. McCULLOCH. Can you conceive why, after all these years of preparation of an efficient organization, which, when the emergency came on, contained, as you have said, some of the ablest engineers in America, old and young, can you conceive any good reason in the world why, after spending all this money and this effort in getting an efficient organization together with the ultimate object of taking care of an emergency, that when an emergency comes on and necessity for

this organization is here, that it is absolutely disregarded and not used; can you give any good reason in the world why that should occur?

Col. SHERRILL. It seems inconceivable that that should have been done. I can see no reason why it was done except inertia and precedence.

Mr. McCULLOCH. Will you explain both of those terms, inertia and precedent, as applied to this situation?

Col. SHERRILL. I would say it was due to inertia in that having an organization in the Quartermaster Department charged with that general type of work, the construction and maintenance of buildings in posts in times of peace, inertia would have prevented a change; and precedent in the same way would lead probably to the use of such an organization, if it were working satisfactorily, in preference to changing over to any other arrangement. From a logical point of view I can see no reason why, at the very least, they should not have asked the Chief of Engineers if his organization could not have facilitated that work by taking over a part of this work.

Mr. McCULLOCH. Even that was not done?

Col. SHERRILL. Even that was not done at all. I can not conceive any sound reason why the method followed was chosen.

Mr. McCULLOCH. In other words, all your preliminary work in peace times, while you did do river and harbor work, and all other kinds of construction work, yet all of this preparation and all of the training and this preliminary work was with one thought in mind, the taking care of an emergency; is that right?

Col. SHERRILL. That is correct.

Mr. McCULLOCH. And when the emergency came these facilities were absolutely disregarded and unused; is that right?

Col. SHERRILL. That is correct, so far as the work in this country goes.

Mr. McCULLOCH. Yes; I am confining it to America.

But on the other side they were used, and used effectively, and the statements that you have made as to the ability of your organization to carry on this work promptly, efficiently, and economically was demonstrated in a foreign land; is that right?

Col. SHERRILL. That is correct, and especially is that correct because this work had to be done where we had no organization. When Gen. Taylor went to France he had two days' notice before he got on the ship that he had all the construction work in France. Before that it was a discussed question. He had two days to get ready before he sailed to take up the construction work in France.

Mr. McCULLOCH. Now, I want to go to one other point: How long would it have taken your engineering organization—we will use the Wheeling district as applying to districts all over the country—how long would it have taken your organization, in your judgment, to have gotten construction work under way at Camp Sherman has you been called upon to build that camp; how long would it have taken you to have gotten started, including, of course, the entire construction of the camp, the shelters and the buildings?

Col. SHERRILL. How long would it have taken to have gotten started?

Mr. McCULLOCH. Yes.

Col. SHERRILL. On the work?

Mr. McCULLOCH. Yes; give us an idea what the procedure would be. Suppose you had received an order from the Secretary of War to build a house to house around 40,000 men; suppose the order had come from the Secretary of War or the General Staff for the construction of a divisional camp at Chillicothe, Ohio, to house originally 40,000 men, including the taking care of animals, and stores and utilities and all those things in the camp; how long would it have taken to get started and what would have been the procedure?

Col. SHERRILL. I should think you would have gotten started in about five minutes, and the procedure would have been as follows: The district engineer at Wheeling would have telegraphed the district engineer at Seattle, which was his market at that time to place an order for his account on lumber—it would not have been necessary to place an order for it all, but enough to start it along—to place an order for say one million feet, or any number of board measure that he wanted. He would have placed locally such orders as he could have placed. He would have placed with the Chicago office orders for cement, and such things as could have advantageously been gotten there. He would have taken steps at once to have gotten together a labor organization. In a very short time he could have made plans to get his preliminary engineering force moving to the site; so that the work could have begun—I mean the steps necessary to get that thing finished—could have been begun right away.

Mr. McCULLOCH. In your opinion, with the facilities you have on hand, how soon could the actual constructing have been begun?

Col. SHERRILL. The actual construction on the ground?

Mr. McCULLOCH. On the ground; yes?

Col. SHERRILL. I should say that for Camp Sherman, at Chillicothe, under the Wheeling office, they could have been actually at work on the ground—had men actually doing work on the ground in less than a week.

Mr. McCULLOCH. Would that same condition apply throughout the country generally, in your opinion?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. So that if the Government was called upon to build 16 National Army cantonments distributed over the country and that work had been put up to your Engineering Department to carry on this work in the light of the emergency promptly, efficiently, and economically, the sites having been selected, we will say, do you say that the work could have been started on the various camps in a week?

Col. SHERRILL. Yes; I think it could. Of course, this work on a cantonment, it is quite a large undertaking during a short time; but it is like everything else, you have to make a start. The first thing is to get a few men to work there; and the first thing is a few shacks to take care of the laborers, and then a commissary, and those things could have been begun almost immediately. It was a question of getting that started; it was not a question of getting enormous amounts of lumber, but getting together a few things that you could get in the locality and making provision for all the rest as they came along.

Mr. McCULLOCH. Now, for some reason, another system was put into operation and you were not called upon, and it has developed in the testimony—I can not state it exactly, but that it took ap-

proximately six weeks to get the form of contract ready. What could have your department have been doing in those six weeks when they were working on the form of contract; what could you have accomplished during those six weeks; anything?

Col. SHERRILL. We would, I feel sure, have made a considerable start on the work.

Mr. McCULLOCH. You would have been on the job and under way!

Col. SHERRILL. We would have been on the job and under way.

Mr. McCULLOCH. Considerable time was taken afterwards making a survey with a view to determining who they were going to give the contract to under the cost-plus system; I do not know how many weeks, but considerable time; during all that what would your organization have been doing?

Col. SHERRILL. That survey, as I said, would have been one of the first things undertaken, and could have been for an ordinary site, such as, for instance, that at Camp Upton—that survey necessary for that work could have been readily accomplished in about 10 days.

Mr. McCULLOCH. The point I was trying to get at—and what I want to direct your attention to—was that a committee outside of the Army, called the Emergency Construction Committee, that not only spent six weeks in the preparation of a contract and a form, but that spent a considerable time gathering information as to the character of contractors throughout the country to whom they would give the work—

Col. SHERRILL (interposing). We had all that; in the Engineering Department we had all the types of contracts that we have used, and, as soon as we knew what the conditions were, there was no trouble about the form; we had those. And each locality has its information as to the contractors that we could depend on. So I don't think we would have needed any more information on that point.

Mr. McCULLOCH. So, from your standpoint, that would have caused no delay whatever?

Col. SHERRILL. None whatever. We knew what contract we wanted.

Mr. McCULLOCH. So, covering a period of years, the Government had this organization, but when the emergency came on, under the system that was followed, they went at it originally to prepare the form of contract and get the information that you had?

Col. SHERRILL. We had the information for the methods that would be used; yes, sir.

Mr. McCULLOCH. You say it would take 10 days to make a survey; what do you mean by that; what did that include?

Col. SHERRILL. At Camp Upton we had an area of within 2 miles by about a mile—less than that—to make the necessary topographical survey and run the necessary cross lines, and it would have required not over 10 days for a reasonable sized party that we could have picked up in the district; we have a number of those, and any one of them could have accomplished that in 10 days.

Mr. McCULLOCH. How much additional time then do you estimate it would have taken to lay out the utilities; would that thing progress as the work progressed?

Col. SHERRILL. That would have been done as the work progressed, using such general data as you had.

Mr. McCULLOCH. If there had been an order to do this complete instead of as the work progressed, how long would it have taken to make the layout?

Col. SHERRILL. A complete layout of the camp, including utilities?

Mr. McCULLOCH. Yes, sir.

Col. SHERRILL. I should say it would have taken at Camp Upton, which was a reasonably difficult piece of ground, because it was covered with timber, to have made necessary surveys for all water lines, sewer lines, and incinerators, with a single party, I should say about three weeks, but the work could have been pushed so that everything could have been done in 10 days. You would not have to use one party.

Mr. McCULLOCH. And you had the organization to do that?

Col. SHERRILL. Everything. We could have taken a party—one each from the several districts, and accomplished it in a very few days.

Mr. McCULLOCH. Colonel, I want to ask your judgment or opinion as to the proportionate total cost in a divisional camp that would shelter, including inside plumbing, electrical work—that is, the man shelter buildings, as distinguished from the administration buildings, and the outside buildings; what would be the total proportionate cost?

Col. SHERRILL. My own personal experience on that is limited to Camp Upton.

Mr. McCULLOCH. That is a typical camp, is it not?

Col. SHERRILL. That is a typical camp, I believe, about 40,000 men eventually; maybe a little more. As I get your question you want my opinion as to the percentage of cost, including the sheltering, inside wiring, and such as that, as opposed to sewerage, depots, administration buildings, and so forth?

Mr. McCULLOCH. That is right; now will you give us your opinion?

Col. SHERRILL. I hesitate to give an offhand opinion in answer to that question. Of course, I have a general impression, but, as I say, I hesitate to express an opinion with the limited data that I had at hand on that.

Mr. McCULLOCH. Recognizing that situation and the fact that the data is limited, will you give us your impression?

Col. SHERRILL. I should say that my impression that the items you have enumerated would probably have cost from 40 to 50 per cent of the camp.

Mr. McCULLOCH. You mean the shelter would cost that?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. As distinguished from the other?

Col. SHERRILL. As distinguished from the other outside matters.

Mr. McCULLOCH. Colonel, would you give us the difference in prices of No. 1 and No. 2 lumber as they ordinarily run?

Col. SHERRILL. There is what is called a spread in prices depending on various conditions, especially the basic prices of timber at



the time of purchase. If lumber No. 1 is about \$29 a thousand, it would cost, ordinarily, about \$19 to \$20 a thousand.

Mr. McCULLOCH. Now, as between No. 2 and No. 3?

Col. SHERRILL. The difference between No. 2 and No. 3 is somewhat less.

Mr. McCULLOCH. About what would you say?

Col. SHERRILL. I should say that from the same case No. 3 should run about \$14 to \$15 a thousand.

Mr. McCULLOCH. I think that is all I want to ask you for the time being, Colonel.

Mr. McKENZIE. All right, Mr. Doremus.

Mr. DOREMUS. Colonel, I think you have testified that if the Chief of Engineers had received an order from the Secretary of War to build Camp Sherman you would have immediately gotten in touch with the district officer at Wheeling and that the first step in the construction of Camp Sherman would be a telegram to the district officer at Seattle to purchase approximately 1,000,000 feet of lumber; is that correct?

Col. SHERRILL. That is generally correct. I assumed in that statement—you have practically quoted me correctly—but I have assumed in that statement that Wheeling was most advantageously located and that Seattle was the most advantageous place to purchase lumber.

Mr. DOREMUS. And how would the district officer at Seattle have purchased that lumber?

Col. SHERRILL. He would have purchased it, being an emergency, probably in the open market. He would have been authorized to use his discretion as to the best method of accomplishing that.

Mr. DOREMUS. Would he advertise for bids?

Col. SHERRILL. He would probably have advertised for at least a few days, yes, sir; that is customarily the method, even for emergencies, we advertise for a period, depending on the amount of time available.

Mr. DOREMUS. What is your estimate, Colonel, of the time that would be required to transport approximately 1,000,000 feet of lumber from the Pacific coast to Chillicothe, Ohio, having in mind the conditions of transportation as they existed at that time?

Col. SHERRILL. Well, I am not prepared to give such an estimate, because I have never had occasion to figure on that. I gave that illustration as simply a typical method, and not knowing that that would have been bought at Seattle in preference to any other place.

Mr. DOREMUS. If, upon the following day the Chief of Engineers had received an order from the Secretary of War to construct Camp Custer, at Battle Creek, Mich., how would you have proceeded?

Col. SHERRILL. He would have proceeded along similar lines, placing that in charge of the district officer who was located in that vicinity; there are several in that vicinity; one at Chicago, one at Milwaukee, and one at Grand Rapids, and various other places.

Mr. DOREMUS. And how do you suggest that he would have obtained the lumber for the construction of Camp Custer?

Col. SHERRILL. He would have obtained it similarly, provided, of course, that if the condition of the market were such at that time that there was a congestion of railroad transportation or excessive competition in the lumber market it might have been necessary for

the Chief of Engineers to instruct him more in detail as to the method to be followed than I have indicated.

Mr. DOREMUS. But in any event the district officer at Chicago, or some other city contiguous to Battle Creek, would have placed an independent order with somebody for approximately 1,000,000 feet of lumber; is that correct?

Col. SHERRILL. Not necessarily; no.

Mr. DOREMUS. Well, what course would have been followed there?

Col. SHERRILL. As I say, in the ordinary course of events, buying these necessities or placing an undue number of orders in any one market, that method would have to be followed. If it had been necessary to distribute those orders in order to see that the sources of supply was used to the best advantage instructions would have been given to that effect.

Mr. DOREMUS. Colonel, the contracts for the construction of these 16 cantonments were let between the 19th and the 23d of June, 1917. Do you think that under the plan of purchasing lumber which you have suggested that you could have gotten the lumber on those different sites as quickly as it was secured through one purchasing agency in Washington?

Col. SHERRILL. I am not familiar with their method of purchasing, consequently I can not answer that, but I should say that the quickest method that could be followed would have been in case the amount of lumber involved taxed the resources of the country, would have been to have a central agency coordinating the activities of the different officers making purchases, but that those purchases should preferably have been made by a number of agencies rather than a single one, but there should have been a close coordination. I do not know the method followed by the Purchasing Division.

Mr. DOREMUS. Well, for your information I will state that all the lumber, approximately 50,000,000 feet for each camp, entering into these jobs generally was purchased through a central agency in Washington. Now, do you disapprove of that plan?

Col. SHERRILL. Do you mean that a central agency actually made the purchases, sending out the requests?

Mr. DOREMUS. Contracting for the entire volume of lumber; practically all. I will not say all, but substantially all the lumber. Was that a good policy or a bad policy?

Col. SHERRILL. Well, that depends a good deal on the organization. I am not prepared to say that that would not have accomplished the results. I do not say that we would have followed that procedure, but I am not prepared to criticize that method specifically.

Mr. DOREMUS. There is no question in your mind but that method did accomplish the results?

Col. SHERRILL. It certainly did; they built the cantonments. But the time at which it arrived I do not know. But I think they did get the lumber there all right.

Mr. DOREMUS. Now, following out the plan that you suggested, that if the construction of these cantonments had been left to the Engineering Corps the district officer at Wheeling would have ordered 1,000,000 feet of lumber from Seattle and consigned it to Chillicothe, how would you have proceeded to get the remaining 49,000,000 feet; in the same way?

Col. SHERRILL. I do not say that is the method which would have been followed. I give that as an illustration of how that particular officer could have accomplished his job. But as to the method to follow, I know we had a complete organization all over the country. Every district in the United States has purchased supplies for the Panama Canal and were able to know the local conditions; we could have taken advantage of that. Whether we would have followed that method, I say that by coordinating the supplies that probably would have been done on account of the great strain on the resources of the country.

Mr. DOREMUS. I will want to ask you a few questions as to the personnel of your organization as it existed at the time we entered the war or a little later.

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. Assuming that the site from Camp Custer, Battle Creek, Mich., was approved on June 11, 1917, the contract for its construction executed June 19, 1917, the work actually begun June 19, and that on September 4, 1917, the camp was completed and ready to receive 10,000 officers and men, would you say that the Engineering Corps could have completed the job quicker than that?

Col. SHERRILL. I would not be prepared to make such a statement without full investigation, or the contrary.

Mr. McCULLOCH. May I ask my colleague a question?

Mr. DOREMUS. Yes; sure.

Mr. McCULLOCH. You say the camp was completed?

Mr. DOREMUS. I didn't say anything of the kind. I said it was ready for the receipt of 10,000 officers and men on September 4.

Mr. McCULLOCH. That states it correctly. If that is the way you stated it, I withdraw my objection to it.

Mr. DOREMUS. Assuming that on September 17 the camp was completed for the receipt of 26,220 men, that on October 1 it was ready for the receipt of 28,000 officers and men, and on December 19 for 34,000 men, would you say that if the work had been let with the Engineering Corps it could have been completed sooner than that?

Col. SHERRILL. I am not prepared to make a comparative statement as to that camp. My only personal experience with reference to these camps is at Camp Upton; so as to Camp Custer I am not prepared to say.

Mr. DOREMUS. Do you know anything about the conditions at Camp Devens, at Ayer, Mass.?

Col. SHERRILL. No; I was only there once and visited the camp casually; I do not know the conditions.

Mr. DOREMUS. Assuming that the site for Camp Devens was selected and approved May 31, that the contract for its construction was executed June 11, that the work actually started June 13, and that on September 4 it was completed so as to be able to receive and house 16,458 men, do you think that if that work had been intrusted to the Corps of Engineers that it could have been completed sooner than that?

Col. SHERRILL. That, like the other one, on account of my unfamiliarity with that particular location, I am not able to say. That like a very good record, I must say.

Mr. DOREMUS. In all there were 16 cantonments constructed. Colonel. I am not going to weary you or burden the record just at this

time with the details regarding all of them. I understand you to say that outside of Camp Upton you are not familiar with any of these cantonments?

Col. SHERRILL. No.

Mr. DOREMUS. And if I asked you the same question that I just propounded with reference to those two camps and applied it to all the camps, your answer would be the same?

Col. SHERRILL. Yes; all I have no knowledge of, of course.

Mr. DOREMUS. Now, let us take Camp Upton: The site was approved June 18; the contract was executed June 23; by September 4 the camp was ready to receive and house 7,000 officers and men; on September 17 it was ready to receive and house 16,900 officers and men; and on October 1, 24,600 men; on December 1, 40,915 men. What is your opinion, Colonel, as to whether that work was expeditiously done?

Col. SHERRILL. I consider that it was not.

Mr. DOREMUS. That it was not?

Col. SHERRILL. It was not.

Mr. DOREMUS. And will you give your reasons for so thinking?

Col. SHERRILL. My reasons are that I do not think, from my observation there, that the work was organized to secure the best results from their labor that they actually had; nor do I think the work progressed in the order that it should have progressed in order to get the best results. For instance, essential roads for use in bringing in supplies from New York were not put in a good state of improvement until the camp was largely completed, and then those roads were not able to be completed on account of weather conditions which delayed—undoubtedly must have delayed—the work in the camp.

Mr. DOREMUS. In your judgment, Colonel, how soon should that job have been completed under proper conditions?

Col. SHERRILL. I should say that with proper engineering provision and direction the camp as actually finished—I will say, about January 1—it should have been completed by probably the middle of November. That, of course, you will understand, is my impression. It is impossible to give more than my impression, based on my experience and observation at Camp Upton, and that estimate is largely on the method that I observed in operation in constructing that camp, as compared to what I believe could have been followed.

Mr. DOREMUS. You understand, of course, Colonel, that on December 1, 1917, the camp was ready for 40,000 men?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. You think that it could have been ready earlier than that?

Col. SHERRILL. I think it could; yes, sir.

Mr. DOREMUS. You are a West Point graduate, Colonel, and a member of the Corps of Engineers?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. You have testified that at the time of our entrance into the war the engineering personnel was ample to meet emergency, and in answer to a question propounded by Mr. McCulloch you have stated that among the personnel were Gens. Black, Flagler, Jadwin, and Langfitt. You mentioned those gentlemen, all being of excep-

tional ability in the engineering field, and as to that I raise no question.

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. Can you name any others?

Col. SHERRILL. Yes, sir; Col. Chester Harding, the Government engineer on the Panama Canal; Col. J. J. Morrow, who is the engineer of maintenance on the Panama Canal; Col. W. H. Rose; and Col. George—I can name a very large number of highly efficient officers if you wish. Col. George R. Spaulding.

Mr. DOREMUS. Anybody else?

Col. SHERRILL. Col. Ernest Graves, and Col. A. H. Acher, who has lately resigned.

Mr. DOREMUS. Now, Gen. Black, I assume was in the office of the Chief of Engineers of the War Department during all the war?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. To what duty was Gen. Flagler assigned during the war?

Col. SHERRILL. Gen. Flagler was assigned from the outside. I believe, as commander of an Engineer regiment; he later was promoted and became commander of an Artillery brigade; and later became commanding general of the Forty-second Division.

Mr. DOREMUS. And saw service in France?

Col. SHERRILL. Yes, sir; he was in France.

Mr. DOREMUS. To what duty was Gen. Jadwin assigned?

Col. SHERRILL. Gen. Jadwin was assigned first to a railroad regiment which went early to France, and later to the Division of Construction and Forestry from the Chief of Engineers in France, supervising the services of supplies.

Mr. DOREMUS. To what duty was Gen. Langfitt assigned?

Col. SHERRILL. He was assigned as director of utilities, services of supply, and was later promoted to be Chief Engineer of the American Expeditionary Forces.

Mr. DOREMUS. And saw service in France?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. Where was Col. Harding during the war?

Col. SHERRILL. He was on the Panama Canal.

Mr. DOREMUS. Where was Col. Morrow?

Col. SHERRILL. He was in command of a regiment which saw some service in France; was later made brigadier general and Chief Engineer of the First Army.

Mr. DOREMUS. Where was Col. Rose assigned during the war?

Col. SHERRILL. He was purchasing officer of the office of the Chief of Engineers and purchased all of the railroad materials up to the time of his other assignment—all of the railroad equipment and materials that were used by the Army in France, as well as all other materials.

Mr. DOREMUS. Was he at that in Washington all during the war?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. To what duty was Col. Spaulding assigned?

Col. SHERRILL. He was commander of an Engineer regiment and chief engineer of the First Army.

Mr. DOREMUS. He saw service in France, of course?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. To what duty was Col. Graves assigned?

Col. SHERRILL. He had construction duties in France, among others he was the engineer of one of the base sections charged with construction work.

Mr. DOREMUS. To what duty was Col. Acher assigned during the war?

Col. SHERRILL. He was in command of a regiment, and also in France.

Mr. DOREMUS. One of the questions propounded by Mr. McCulloch very strongly intimated that these men were not called upon and were not used during the war; is that true?

Col. SHERRILL. You mean in general; not used in general? No; their services were used during the war.

Mr. DOREMUS. All of those men that you have enumerated performed valuable services during the war, did they not?

Col. SHERRILL. I think they did; yes, sir.

Mr. DOREMUS. I wish you would explain, Colonel, while these men, all of whom saw service in France, except Col. Rose, could have been utilized in the construction work in the United States?

Col. SHERRILL. Most of these men did not go to France until long after the construction work here was practically completed.

Mr. DOREMUS. Do you know when the construction work was practically completed?

Col. SHERRILL. At the cantonments, I should say, practically completed by January 1, 1918; that is, the construction of the actual cantonments.

Mr. DOREMUS. You are aware that much of it continued after that time, aren't you?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. If these men had remained in this country for construction work during all the time it was in progress, who would have taken their places in France?

Col. SHERRILL. Reserve officers. Assuming that all the Regular officers had to stay in this country.

Mr. DOREMUS. Yes; you think that somebody else could have been found to do their work?

Col. SHERRILL. They could have been, but the proper procedure would have been to have trained in the reserve officers and left them in charge here with the reserve officers trained.

Mr. DOREMUS. Colonel, is West Point an engineering academy?

Col. SHERRILL. Not primarily; it is an all round military academy, with special emphasis laid on engineering.

Mr. DOREMUS. If West Point men upon their graduation are to be used for engineering work merely in the Army, what further instruction do they receive?

Col. SHERRILL. They either get a course of instruction at a civilian institution, a post-graduate course, or they complete their course at an Army school, which was at Washington Barracks.

Mr. DOREMUS. Are any of them sent to Boston Tech?

Col. SHERRILL. Yes; from time to time to Boston Tech and Cornell and such places.

Mr. DOREMUS. Can you give the committee an idea of what proportion of the West Point graduates are equipped for purely engineering work?

Col. SHERRILL. What proportion of the West Point graduates, as they leave the academy?

Mr. DOREMUS. Yes.

Col. SHERRILL. I should say that when a man graduates from West Point he has a good fundamental training for an engineering profession which, if utilized and constantly applied practice would enable him, even without additional training, would enable him to have considerable skill as an engineer. I think that has been demonstrated in a number of cases. As to the number of men that graduate qualified for engineering, I suppose you refer to their standing in their classes?

Mr. DOREMUS. I am anxious to ascertain, if I can, how many Army engineers were available at the time we entered the war for other than purely military service?

Col. SHERRILL. When we entered the war, I should say that in the engineering department there could have been assigned to necessary military construction, without immediate and serious detriment to their other duties, some 30 or 40 qualified officers.

Mr. DOREMUS. About how many?

Col. SHERRILL. About 30 or 40, I should say, just as an estimate.

Mr. DOREMUS. Isn't it a fact, Colonel, that you had considerable difficulty in securing a sufficient quota of officers in the Corps of Engineers to do this purely military work?

Col. SHERRILL. No, sir; the engineering organization were up to strength in personnel from the beginning; each unit had, as a general thing, one regular engineer in a regiment, for instance, the rest being reserve officers; these reserve officers were immediately trained in the handling of their duties at the same time they trained other men; most of them had had training at camps and they developed very rapidly, so that I should say that there was no serious lack of engineer officer personnel for our purpose during the war at any time.

Mr. DOREMUS. What has been your engineering work chiefly, Colonel? Of what has your engineering work chiefly consisted?

Col. SHERRILL. It has consisted of various kinds of surveys; road building and maintenance; bridge building; railroad construction; construction of various kinds of buildings; construction of various improvements for control of navigation, such as the construction and placing of subaqueous mattresses, on the Mississippi by concrete, stone, or otherwise, and so on; the building of levees for flood protection; the operation of dredges and other earth handling devices; and I believe I said various kinds of permanent fortification works. In addition to that military engineering of various kinds connected with troops; improvised engineering works.

Mr. DOREMUS. You may state whether your work has been largely in connection with fortifications and rivers and harbors.

Col. SHERRILL. No; my work has been, I should say, more largely on military duties.

Mr. DOREMUS. Just what do you mean by that?

Col. SHERRILL. That is, service with troops and engineering work relative to that, and command of troops—and of engineering troops. And I spent considerable time as both student officer and inspector in the school at Leavenworth, both in the line and on the staff at the college, later being an instructor in the school.



Mr. DOREMUS. Have you had any actual experience in the construction of what are commonly termed utilities, and if so, to what extent?

Col. SHERRILL. By utilities you refer to electric plants and so on?

Mr. DOREMUS. Yes; and water and sewer?

Col. SHERRILL. Yes; I have built quite a good many electrical installations; I am quite familiar with telephone systems and the electric lighting and power installations, and the construction of other utilities I have had comparatively little experience on.

Mr. DOREMUS. I did not catch that last?

Col. SHERRILL. I say, with other utilities, such as water-supply systems for cantonments, I have had very little actual experience on.

Mr. DOREMUS. What is the difference in the course of study at West Point between the young engineer officers and the men who go into the service for purely military purposes?

Col. SHERRILL. The course is very similar at West Point for all the cadets; it was when I was a cadet—I do not know what the course is now—but when I was a cadet the men near the top were given a special course in higher mathematics and other engineering subjects; they were given a type of study different from those lower down in the class, but the work was carried on largely in the same way. The character of work was largely in the way that the men handled it. For instance, in a certain section they would give a certain character of problems, but another and different to a different type of men; that is, generally the course was very similar for all.

Mr. DOREMUS. As I understand it, you are unable to give us an estimate as to the number of men who leave West Point who are particularly qualified for engineering work as distinguished from the line service?

Col. SHERRILL. I should say that as an average probably one-third of the graduating class might be considered as having fundamental training necessary to become engineers, but that is purely an estimate and is based on my own experience, and it does not mean necessarily that the men at the top of the class have that; it means that going through a course of that kind there are a certain number of men who acquire that grasp and have the capacity to grasp the subject necessary for an engineer and others do not. I should say about one-third of the men graduating have a pretty good foundation on which to build an engineering profession.

Mr. DOREMUS. And could they, upon leaving West Point, enter upon engineering construction without additional training and education?

Col. SHERRILL. No, sir; I do not consider that they are qualified without additional instruction and training to take up the work as an engineer.

Mr. DOREMUS. Do you think, Colonel, that any considerable proportion of them are actually equipped when they leave West Point Academy to take up, without additional training and instructions, the real work of engineering construction?

Col. SHERRILL. So much depends in that on the training that a man gets in his profession. Now, I can cite an instance where cadets have graduated and have made a very great success as engineers. I have one in view now, who is now in France, who left the

Army soon after graduation and has made a great success in the water line; he graduated in the Engineer Corps and resigned and became highly successful. So, I think that a man has the fundamental training to make an engineer, providing he has the practice and opportunity to expand his knowledge in accordance with his years.

Mr. DOREMUS. The man to whom you have just referred, as I understand it, returned to civil life?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. You have spoken of the Norfolk district work: what sort of construction work is done in that district?

Col. SHERRILL. The district officer has charge of various structures relating to seacoast defenses, storehouses, railways, emplacement-involving massive reinforced concrete work, concrete and other types of buildings. And in his river and harbor work he has a great variety of earth-handling problems to meet—the controlling of channels, the control of jetties, breakwaters, and other structures designed to control the action of the waves and the protection of the shores—and in connection with this there are also incidental buildings to be erected of various kinds.

Mr. DOREMUS. To what extent is that work similar to the construction and buildings and utilities?

Col. SHERRILL. As—

Mr. DOREMUS (interposing). Such as were used in the 16 large cantonments?

Col. SHERRILL. It is entirely similar in general principle—that is, the buildings are sometimes of similar type, sometimes the more permanent type; railroads are similar to those used in the camps and roads which are practically the same or the same types are used; the installation of searchlights and power plants involves certain kinds of electrical questions; the telephone questions would be practically identical with those in cantonments. I might say that the Engineer Department now constructs all telephones in the coast defenses, both in the coast and batteries, because it was found that it was much simpler to do that than to have another organization come in. That was all given to us by the Signal Corps, who originally did it.

Mr. DOREMUS. Can you tell us, Colonel, whether the Navy Department has a construction bureau for handling purely naval construction?

Col. SHERRILL. Yes; they have what is known as the—I have forgotten now just what it is called—they have a corps that is charged with the construction of drydocks and such improvements, and they also have a corps which is charged with the design and construction of ships called the Naval Constructor's Corps.

Mr. DOREMUS. Do you know what is, I believe, termed the Bureau of Construction and Repair; is that what you have reference to?

Col. SHERRILL. It is probably the same one, and in that corps they have civil engineers; but the naval constructors are the ones who have charge of the design and construction of ships.

Mr. DOREMUS. And does that bureau handle the construction of buildings and utilities?

Col. SHERRILL. I believe it does. I am not very well informed. I might say, in relation to the interior work of the Navy, except I

know they have this one corps; and then they have one corps which handles all of the civil engineering construction work, and another corps which handles all of their naval construction work; the ships and floating vessels, and so on.

Mr. DOREMUS. Do you think it is a poor policy for the Navy Department to have two construction bureaus?

Col. SHERRILL. I would think it would be poor policy for the Navy Department to have two bureaus doing the same kind of work, or very similar work.

Mr. DOREMUS. What can you say as to whether the establishment and maintenance of two bureaus has worked efficiently or well in the Navy Department?

Col. SHERRILL. The two bureaus I have referred to are entirely different in the Navy Department; very slightly similar if at all. One handles the construction on land and the other has charge of all vessels; that is my impression, at least. If that is the case their duties would never overlap.

Mr. DOREMUS. Then the system is efficient?

Col. SHERRILL. I dare say it is; I am not prepared to criticize it or otherwise.

Mr. DOREMUS. Before the United States entered the war, Colonel, by whom was the building and utility work of the War Department conducted, and under whose supervision?

Col. SHERRILL. The General Army construction at posts and the Army construction was under the Quartermaster Corps.

Mr. DOREMUS. Did your corps ever do any of that work up to that time?

Col. SHERRILL. Yes; they have done some; a limited amount.

Mr. DOREMUS. A very limited amount, did they not?

Col. SHERRILL. Of the general construction work, a very limited amount; yes, sir. Of course, we have always had the fortifications and the utilities connected therewith.

Mr. DOREMUS. I think you have testified, Colonel, that at the time of our entrance into the war you had in the Engineer Corps an adequate organization to meet the war emergency?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. Does it follow from your answer that you maintain in peace times a larger organization than is necessary?

Col. SHERRILL. No, sir; our peace duties are fortunately distributed over the United States in such a way that it gives a working organization ready for very large expansion in time of war without the necessity of creating new agencies.

Mr. DOREMUS. In view of the fact, Colonel, that you have testified, that the major part—the great bulk of construction and utility work for the Army was done by the Quartermaster Corps up to the time of our entrance into the war, why do you say that that work should have been transferred to the Corps of Engineers?

Col. SHERRILL. In my opinion, the fundamental reason for the failure of the Quartermaster Corps to adequately carry out that duty thrust upon it at the beginning of the war was the fact that they did not have an organization made up of men who had made a life study of engineering construction, but it was made up of officers who were temporarily detailed from time to time, with or without engineering knowledge, and who necessarily were not able to

reach a high degree of efficiency in that line of work; nor did they have the large and well-distributed organization which was essential at that time for the control of this work. Their work before that had been comparatively small in amount and was not adapted. I think, to an extent necessary to take over this work. The main difficulty, I think, was in their system, in not having a trained personnel.

Mr. DOREMUS. But it is a fact, is it not, Colonel, that up to our entrance into the war they had done vastly more of that work than the Corps of Engineers had?

Col. SHERRILL. Yes; of that construction Army work, but not vastly more of the work similar to that.

Mr. DOREMUS. But we are talking now of the construction of buildings and of utilities. Now, you have testified that up to the time of the outbreak of the war, or up to the time we entered the war, very little of that had been done by the Corps of Engineers: now, what I want to get at is your reason for saying that that work should have been transferred to the Corps of Engineers?

Col. SHERRILL. My main reason for that is that their system of assignment of officers was very defective and did not contemplate and have men who devoted their lives to that work. That is the main reason. The Army engineers, on the other hand, devote their lives to a certain line of work, which is quite similar, and the administration work was identical with that followed in these camps. There had been no work of that type on account of the smallness of our Army.

Mr. DOREMUS. As I understand it, Colonel, you admit that so far as practical experience is concerned in the construction of buildings and the laying out and construction of utilities the work in the Quartermaster Corps vastly transcends the volume of work done by the Engineering Corps; and I am anxious to ascertain, whether in view of that fact, you really think that it would have been advisable to transfer all of that work to the Engineering Corps, in view of the fact that it had had practically no experience in that particular class of work?

Col. SHERRILL. Well, that is an admission, though, I do not believe I made, because although I had not—the Engineers had not constructed the general utility buildings such as barracks for Infantry and so on, they had been constantly erecting buildings all over the country and had an organization well adapted to that purpose; we arranged for supervision and decentralization and inspection and well located, as I indicated this morning, to take over the construction of any cantonments that might be assigned to them.

Mr. DOREMUS. Colonel, you have testified that you believe that the Engineer Corps of the Army was ample to meet the emergency that confronted this country in the spring of 1917, and had been built up to meet such an emergency; is that correct?

Col. SHERRILL. The organization of the Engineer Corps was adapted to meet the emergency, and it had been largely expanded by the commission of temporary reserve officers who were subject to call and were being called readily, so that it was at every stage, I think, of the war, practically adequate to the demands made on it.

Mr. DOREMUS. You have been in the Engineer Corps for many years, about 18, I think you have testified?

Col. SHERRILL. Yes, sir; 18 years.

Mr. DOREMUS. Previous to April, 1917, did anyone in the Engineer Corps contemplate an emergency that would make it necessary for this country to raise and equip an Army of four and a half million men?

Col. SHERRILL. Previous to April 6, you say?

Mr. DOREMUS. Yes; April, 1917.

Col. SHERRILL. I believe that the more progressive felt that if we should go into the war with Germany we should need an Army ranging, I think, from two to three million men, was the largest that anyone at that time considered necessary; four and a half million, I don't think that anyone ever considered that we would ever get to that point.

Mr. DOREMUS. Now at what time—of course, you could only speak from your personal knowledge—at what time did the Engineer Corps consider that we would be called upon to raise that immense Army?

Col. SHERRILL. That I could not say, because at that time I was not in Washington and not familiar with the views of the Chief of Engineers, but I know that immediately after the authority was given by Congress the Chief of Engineers did actively push the matter of expanding these Reserve officers; I know that to be the fact; as I related this morning, I was in Panama and on the examining board and investigated a large number of men, and he did secure this large number of officers for use in case of such a call.

Mr. DOREMUS. Colonel, did anybody in the Engineer Corps contemplate as late as March, we will say, 1917, that this country would be called upon to take care of four and a half million men?

Col. SHERRILL. Of course, I can only answer from my own impressions; my own impression was that if we should get into the war—and it seemed very imminent then—that we would be called upon to prepare a much larger force than we had ever conceived of before, but as to that number, four and a half million men, I doubt whether anyone thought we would reach that number.

Mr. DOREMUS. Did anybody in the Engineer Corps ever dream that we would be required within the space of a few months to build up in the United States 16 large cantonments and 16 Army camps?

Col. SHERRILL. That I could not say either, but my impression is that the principal thought of the Army was at that time contemplating some such expansion as that, yes, sir; that is, taking care of this Army, whether it were two million, or three million, or four million.

Mr. DOREMUS. And at what time was that first contemplated?

Col. SHERRILL. That I could not say.

Mr. DOREMUS. You think it was contemplated, however?

Col. SHERRILL. Yes; as the danger became imminent that became more and more to the minds of the better thought of the Army, crystallized in that direction, the necessity of large cantonments for training.

Mr. DOREMUS. Is it not a fact, Colonel, however, that that emergency was realized very late in the spring of 1917?

Col. SHERRILL. I rather think it was; yes, sir.

Mr. DOREMUS. And in view of that fact you still believe that the Corps of Engineers had sufficient personnel to carry out the vast construction program that followed?

Col. SHERRILL. With such expansion as would have been necessary from time to time; they had the organization of the initial personnel which could have been expanded to meet all requirements.

Mr. DOREMUS. I think that is all, Mr. Chairman.

Mr. MCKENZIE. Just one question, Colonel. You seem to be quite familiar with Camp Upton; what have you got to say about the economy of construction there and the cost, in your judgment; could the Corps of Engineers have constructed it at a less cost to the Government than we paid for it under the construction that was carried on?

Col. SHERRILL. Yes; I think we could. I say that—I do not know the details of that cost, but I say that based on my observation of their methods of doing the work. I think their methods were very inefficient.

Mr. MCKENZIE. Would you care to express an opinion as to what per cent of additional cost it was to the Government?

Col. SHERRILL. No; I would not be prepared to make even a rough estimate of that.

Mr. MCKENZIE. That is all.

Mr. McCULLOCH. Colonel, from the time the World War began, was there discussion among the officers in authority in your department as to the problems and needs of America should we enter the war?

Col. SHERRILL. Oh, yes.

Mr. McCULLOCH. And as the World War progressed did those discussions and those problems crystallize into plans of action?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. State whether or not the Engineer Department, because of the fact that it had trained officers in it devoting their lives to this engineering work, gave those problems a careful consideration at the time.

Col. SHERRILL. I feel quite sure they did as a whole; yes, sir.

Mr. McCULLOCH. With a view of determining whether or not you would be able to meet the requirements of your department?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. State whether or not the studies and estimates of the probable number of men needed in the event we entered the war with any first-class power was always considered as running from two to three million men or more.

Col. SHERRILL. The general consideration given to that subject if we went into the war—even some time before the war—usually hinged on difficulties with Germany or Japan, and in those studies I recall that we had figured out on the surface about what we would have to meet in case of an invasion within 30 days and an expansion following that up, and I believe the general opinion of the thinking men of the Army indicated, even before the war became imminent, that a real death struggle with such a power as Germany would have involved a minimum of 2,000,000 men.

Mr. McCULLOCH. A minimum?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. What did you estimate as to the probable maximum?

Col. SHERRILL. I don't believe any man would have dared to foresee, but it ran all the way up.

**Mr. McCulloch.** If the impression were attempted to be left with this committee or with the public generally that the United States, before we entered the war—before the declaration of war—had not had on the job in Washington or in the Military Establishment men who were far-sighted enough to understand the probable necessities and dangers to the country, and that we were absolutely unequipped with men trained to meet, say, the necessities of the emergency in the way of cantonment construction, if that impression were attempted to be left, state whether it was an erroneous impression, in your opinion.

**Col. Sherrill.** I would consider that that would be an incorrect impression.

**Mr. McCulloch.** State whether or not, eliminating the Engineer Corps from consideration, as it was, in fact, eliminated in this cantonment construction, whether or not the Government has, outside of the Engineer Corps, in your judgment, and in the Construction Division, an organization proficient to cope with that situation?

**Col. Sherrill.** My impression is that if that organization of the constructing quartermaster had been utilized to the best advantage it might have been expanded into the necessary organization for this work, although I am not thoroughly informed as to what the details of their organization were. My impression is that the constructing quartermaster had different camps reporting to Washington, and all directions came from Washington, and if that is the case it gave a highly centralized agency which is entirely different from ours, and therefore probably would not have allowed as ready expansion. I think that, due to the fact that they had been working on this line, if the proper steps had been taken that organization could have been expanded.

**Mr. McCulloch.** Could it have expanded as readily as the Engineering Department?

**Col. Sherrill.** I don't think it could, for two or three reasons; one, the distribution of the personnel, the personnel being temporary and not trained in that sort of work.

**Mr. McCulloch.** Colonel, my distinguished colleague, Mr. Doremus, has questioned you at some length in regard to the personnel of the Engineer Corps and the engineers who were available for this cantonment construction. You have stated that some of the men you have mentioned were abroad and carried on work there successfully. State whether or not those men that you have mentioned, and if any, what proportion of them, went abroad prior to January 1, 1918?

**Col. Sherrill.** Of the ones that I mentioned, Gen. Jadwin and Gen. Langfitt, and I believe Col. Graves went across before that time. I believe they are the only ones.

**Mr. McCulloch.** Now, up to January 1, 1918, were there sufficient trained engineers in your department to have taken care of this cantonment construction?

**Col. Sherrill.** Yes, sir.

**Mr. McCulloch.** That is, the direction of it?

**Col. Sherrill.** Yes, sir.

**Mr. McCulloch.** I hand you, Colonel, an Army list and directory, the one I am handing you is dated December 1, 1919; it seems to carry a list—I do not know whether it is partial or complete—of the



Corps of Engineers from colonels down to second lieutenants. I wish you would look at this list and see if you can add to the number of men you have given the names of, engineers in your department who were capable of supervising and carrying on the work of cantonment construction at that time. The list is so long that I do not care to offer it all and have it printed in the record. I would like to have you glance over it and give us some idea from an examination of the list of the engineers that would be available, beginning on page 42.

Col. SHERRILL. I am personally well acquainted with a large percentage of these officers of the grades down to probably the middle of the grade of captain; that would give roughly about 40 per cent. I should say, of these names.

Mr. McCULLOCH. And about how many in number?

Col. SHERRILL. That would be roughly about 165 officers, most of whom I know personally well, others slightly, and a few not at all.

Mr. McCULLOCH. You know them personally well, and know of their qualifications and ability for this kind of work?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. I wish you would tell the committee in a general way about those men; how many of them would have been available, and so forth, for that particular work?

Col. SHERRILL. With very few exceptions, I should say that all of these officers would have been well qualified to direct that work. Some of the older ones would have been better suited on account of their age and experience for civil projects. The younger ones would have been better adapted to direct the work on the ground. And those would have been probably the type of officers selected for that work, would have been within the list that I know personally.

Mr. McCULLOCH. From that personnel do you say you had a force sufficient to supervise and handle the work on the 32 cantonments?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. Which was practically completed to January 1st, 1918?

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. As to the original construction? .

Col. SHERRILL. Yes, sir.

Mr. McCULLOCH. I am examining an exhibit submitted by Gen. Littell in his testimony before the Military Affairs Committee, printed in the hearings before the Committee on Military Affairs, between December 7, 1917, and February 8, 1918, on page 928, entitled in the caption, "National Army Cantonments." Number of troops for which facilities had been provided on September 4, 1917. There is one of the camps referred to, American Lake, Washington. Camp Lewis, which I understand is a permanent camp. That would leave 15 camps that had to be constructed for the emergency development, or from April 6, 1917, to September 4, 1917. Eliminating from the total number of troops that could be housed with the facilities that were constructed or ready at that time, the 46,000 at American Lake, Washington, Camp Lewis—but subtracting the 46,000 from the total number, 287,308, would leave for the 15 cantonments that were constructed for the emergency development and up to September 4, 1917, 241,000, or for each of the 15 camps, 16,000

troops. Now, it being apparent from that table that the facilities were prepared and ready only for 16,000 troops for each camp, or 241,000 for the 15 camps, from the beginning of the emergency to September 4, 1917, what do you say as to whether or not during a period of practically four months, whether that was rapid construction or slow construction?

Col. SHERRILL. Well, I should say that under the emergency that was slow construction, but I would also like to say that I do not know the various difficulties that the Construction Division had to encounter, and therefore, I am not prepared to state whether they provided all of the shelter up to that time that they reasonably should have provided, except that I do not think from my observation—what I saw—that the work on the cantonment that I was familiar with was done in such a way as to indicate that it could not have been much improved.

Mr. McCULLOCH. As to speed?

Col. SHERRILL. As to speed.

Mr. McCULLOCH. And as to economy?

Col. SHERRILL. And as to economy. But I say, so far as the other cantonments go, I do not know the immediate circumstances under which it was done.

Mr. McCULLOCH. I think that is all, Colonel.

Mr. DOREMUS. As I understand it, Colonel, the only camp with which you are personally familiar is Camp Upton?

Col. SHERRILL. Camp Upton; yes, sir.

Mr. DOREMUS. And as to whether the work in these other camps and cantonments was constructed expeditiously you would not venture an opinion, not having any personal knowledge of the circumstances?

Col. SHERRILL. No; I feel, knowing Army methods, there are many things that interfere frequently with expeditious handling.

Mr. DOREMUS. I just want to ask you one or two more questions regarding Camp Upton. Did you testify as to the area of that camp?

Col. SHERRILL. Yes; in a general way I said that my impression was that the buildings there could be included within an area of 2 miles by 1. That is, of course, there were large areas within that that were not used, but they could readily be considered to cover that much area; about 1 by 2.

Mr. DOREMUS. By that, you mean 2 miles long and 1 mile wide?

Col. SHERRILL. Yes, sir; 2 miles long and 1 mile wide.

Mr. DOREMUS. That would embrace how many acres?

Col. SHERRILL. That would be 2 square miles, or about 1,300 acres; 640 acres to a square mile.

Mr. DOREMUS. I think you said that you could have made that original survey in 10 days?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. In your surveying parties, Colonel, how many men did you have?

Col. SHERRILL. A complete surveying party for a job of that kind, I should say, would be about 20 men.

Mr. DOREMUS. How many parties would you have had on the job at Camp Upton?

Col. SHERRILL. Well, I think that job could have been done by one party with additional labor for cutting, and so on, and possibly running up to 40 or 50 men; maybe a hundred.

Mr. DOREMUS. You think then that one party of 25 men with these additional laborers—

Col. SHERRILL (interposing). Yes; that party would have three or four instrument men, and then each of those groups would have used some labor for cutting and driving stakes, and so on.

Mr. DOREMUS. Now, are you familiar with the territory at Camp Upton?

Col. SHERRILL. Yes, sir.

Mr. DOREMUS. Familiar with it from the inception of the work?

Col. SHERRILL. I was there only on August 27, but I know what the character of it was; it was covered with pine growth; I could see that from the fact that it had mostly been cut over.

Mr. DOREMUS. It was largely a wooded territory?

Col. SHERRILL. Yes, sir; and scrub-pine growth, we call it.

Mr. DOREMUS. Now, will you give the committee an estimate of the number of feet of lines that such a party as you have described could run in a day through wooded territory of that nature?

Col. SHERRILL. I should say that they could have run—each transit man and his rodman and laborers could have run, I should say, about 4 miles as a minimum, considering very great difficulties in getting through, per day. I mean doing actual work of cross sectioning.

Mr. DOREMUS. In making that survey, at what intervals would you have run your traverses for the cross-section lines?

Col. SHERRILL. For that particular type of work I think the necessity for surveying was very limited, so far as the buildings were concerned. Of course, there was greater necessity for detailed survey when it came to the utilities, such as water supply and sewerage, but for the buildings there was very little necessity for detailed survey.

Mr. DOREMUS. And you still think that with this one party of 25 men with such additional laborers as you have referred to you could have completed that survey in 10 days?

Col. SHERRILL. I think so; have given the necessary information on which to base estimates to secure bids.

Mr. DOREMUS. Now, after you had gotten all this field data in regard to the lines and elevations, what would have been the next—

Col. SHERRILL (interposing). While they were doing that they would have had men working simultaneously upon those notebooks, so that at the end of that time, or shortly thereafter, they would have had the data completed for use; it could be carried on quite simultaneously.

Mr. DOREMUS. I don't think you have testified, Colonel, where you were stationed at the time we entered the war?

Col. SHERRILL. I was stationed in the Panama Canal.

Mr. DOREMUS. How long did you remain in the Canal Zone after we entered the war?

Col. SHERRILL. I remained there until the latter part of July.

Mr. DOREMUS. 1917?

Col. SHERRILL. Yes; and then I went from there to Boston for a short time, and then to Camp Upton.

Mr. DOREMUS. I think that is all, Mr. Chairman.

Mr. McCULLOCH. In connection with your testimony, Colonel, I desire to get into the records some figures shown in the testimony of Gen. Littell in February, 1918, as contained in the volume I have heretofore referred to, on page 928, caption, "Housing capacity of the various military establishments in the United States. Total capacity of all posts, camps, and arsenals. Recapitulation." In the 16 National Army camps there was a total of officers and men of 654,786, and at the National Guard camps there was a total of 438,042 men.

Mr. McKENZIE. In order to have one matter clearly in the record, I want to read a statement from the testimony of Gen. Black given before the Committee on Military Affairs—the date is not given, but I think it is April 11, 1916—while we were having hearings on the military appropriation bill. I am reading from page 966:

Gen. BLACK. The Engineer Corps consists of a body now authorized by law of 242 officers and the enlisted men of the corps. The officers with these enlisted men are detailed from time to time as need may be by the Chief of Engineers from this body of officers; but you see there are many other engineers' duties.

And so on.

I simply wanted to read that to show that at that time there were authorized 248 officers in the Regular Engineer Corps.

Col. SHERRILL. That was prior to the 1916 act?

Mr. McKENZIE. That was prior to the enactment of the national-defense act.

Col. SHERRILL. In June, 1916.

Mr. McKENZIE. It gave you the opportunity of increasing your reserve officers, which I understand you did?

Col. SHERRILL. Yes; and also a considerable increase in the Engineer Corps.

Mr. McKENZIE. That is all, Colonel; we are very much obliged to you.

Before we go I want to ask Col. Shelby a few questions.

#### FURTHER TESTIMONY BY COL. EVAN SHELBY—Recalled.

Mr. McKENZIE. Colonel, have any of the contractors having contracts under the contract system, the cost-plus system, filed any claims for damages for loss of property, so far as you know?

Col. SHELBY. The contractors have filed claims for items that have been disallowed by the officers in charge of the Construction Division administering the contracts.

Mr. McKENZIE. Now, Colonel, I tell you what I wish you would do for the benefit of this committee. I wish you would furnish the committee with the names of the contractors, the amount claimed by each contractor, for what claimed, whether allowed or disallowed, and how many claims are still pending. Can you do that for us?

Col. SHELBY. That would be a work of a number of weeks and a great many men, because if I get your question right you want to know all the outstanding items there are in connection with this construction. There is a large board set up by the Secretary of War; there are claims set up there; there are claims which have been disallowed; they have been disallowed in the field, and they are brought

to the chief of the Construction Division to see whether the man in the field is fair in disallowing it.

Mr. MCKENZIE. I think for the purpose of this committee, Colonel, if you will furnish us a statement confined to the 15 original cantonments and the 16 National Guard camps we will be satisfied with that; but I do want to have the evidence appear in this hearing, in view of some of the testimony that has gone in of the extreme sacrifice and patriotic endeavor of many of these contractors; and I am assuming that many of them were imbued with this purpose. I want to know whether, after we have paid them the fee which your division has contracted to pay them whether they are coming back and asking that the Government shall reimburse them for damages of one character and another, and I want to know what course your Construction Division has pursued in regard to these matters. I think it is as important to you as it is to the country that we have that information, and if you will furnish that to the committee we will be very much obliged. I do not ask you to do it to-day.

Col. SHELBY. I will be very glad to give you such as we have. As I said before, it will be a matter of considerable detail work to accumulate it.

(And thereupon, at 1.20 o'clock p. m., the committee stood or recess until 2.15 o'clock p. m.)

#### AFTER RECESS.

Mr. MCKENZIE. The committee will please come to order.

#### TESTIMONY OF REAR ADMIRAL CHARLES W. PARKS, UNITED STATES NAVY.

(The witness was duly sworn.)

Mr. McCULLOCH. Admiral, will you please give your full name and title to the reporter?

Admiral PARKS. Charles W. Parks.

Mr. McCULLOCH. You are an admiral in the United States Navy, are you not?

Admiral PARKS. I have the rate of rear admiral, while I serve as Chief of the Bureau of Yards and Docks.

Mr. McCULLOCH. How long have you been in the Navy?

Admiral PARKS. Twenty-two years.

Mr. McCULLOCH. Graduate of Annapolis?

Admiral PARKS. No, sir.

Mr. McCULLOCH. Detail in a general way your experience in the Navy, what various positions you have held, and so on.

Admiral PARKS. In 1897 I entered the Civil Engineer Corps in the Navy and was assigned to duty as assistant to the civil engineer, navy yard, Norfolk. About the 20th of the next February I was ordered to New York yards as the civil engineer of the yards. Here I stayed until about June, I think, when I came to the Bureau of Yards and Docks as civil engineer of the bureau, and after remaining there until some time in 1899, in the summer, then I went to Porto Rico to co-operate with an Army engineer in the selection of a site for a naval station and the preparation of plans for harbor work. This was

supposed to be of short duty, but it extended over a period of about three and one-half years. I then went to the Boston Navy Yard in 1902 as civil engineer of the yards.

In 1905 I went to the Portsmouth yards, same duty.

In 1908 I went to Pearl Harbor, in Hawaii, to develop plans for a naval base there.

In 1910 I returned to Washington and was on electric machinery and inspection until 1912.

In 1912 I was public works officer of the Philadelphia Navy Yard.

In 1915 I was public works officer at Pearl Harbor, and in 1918 I served as Chief of the Bureau of Yards and Docks, Navy Department.

Mr. McCULLOCH. What was your education and experience as an engineer prior to your entering the Navy?

Admiral PARKS. I was a graduate of Rensselaer Polytechnic Institute in 1884, and then I had railroad service in Arkansas and Colorado; later I was the electrical engineer of the Electrical Manufacturing Co., of Detroit, and had the department of physics at the Rensselaer Polytechnic for nine years.

Mr. McCULLOCH. Did you have experience in connection with your work in the Navy in the letting of contracts for construction work?

Admiral PARKS. That is the larger part of the work of the Bureau of Yards and Docks. Something like 2,200 during the war period, of which number perhaps 1,600 of them were since I took charge of the Bureau of Yards and Docks.

Mr. McCULLOCH. What personal supervision did you have over the letting of these contracts you have mentioned?

Admiral PARKS. I had the bureau divided into sections under officers or civilians, known as project managers, and one division, we will say, will be for shipyard facilities, another division for radio stations, another for terminals, another one for training camps, and another one for hospitals.

The bureau requires a certain construction, and would tell me the requirements, and if there was no specific appropriation from Congress for that particular item the work would be carried out under a general appropriation. The head of the bureau then notifies me that funds will be available under that general appropriation, and allots that amount of money to the bureau that I tell him will be necessary for the work. Then I assign the work to the project manager having charge of that class of work, and he confers with the representatives of the bureau concerned relative to the details and blocks out the general plan, which I then approve by telling him to go ahead with the ultimate arrangements.

When plans and specifications are completed they are turned over to the project or contract section, and they are examined for forms as to time that is necessary for the carrying out of the work, the damages for delay, the particular items prepared for bidding, and the specifications as to that examination is brought to me for an "Okeh." It is then prepared for publication. After a proper length of advertising, which is ordinarily three weeks, the bids are received and sent to the project division for examination and report.

The project division, after examining all of the items of the bids, then prepares a memorandum for the contract division. An examination is made, and if legally in good shape, if there are no further matters which might make it objectionable for the project manager

for one reason or another, the project manager then prepares a letter for my signature, approving the contract, and then selects the bidder, which must for certain definite reasons be the low bidder. and after approval the successful bidder is notified, while the checks are returned to the unsuccessful bidders, and a formal contract is prepared and submitted to the contractor to execute the contract and provide his bond.

When those are in acceptable form to the bureau, why, then, the bidder executes the contract.

Now, that was the practice before the war and after the war. but during the war period the emergency was considered such that three weeks' advertising was considered inadvisable at times and sometimes the advertisement was inserted once only in a publication and notices were sent by letter to properly qualified people that we would open bids on a certain day.

Now, such a one was the case of the aircraft factory at Philadelphia. A recommendation had been made that the work be allotted as a cost-plus contract, on an estimate of \$2,600,000. The Secretary of the Navy was not wholly satisfied that that would be either economical or the desirable thing to do, and proposed that if we could take bids quickly we would not have the delay resulting from that practice that would make it appear that we should have adopted the other plan, and the accepted date, I think, was four days after that day, was the one on which bids would be received, and put one advertisement in the paper, which I think very few saw, and sent notices to 12 contractors. We received 13 proposals, one more than the number to whom I sent letters, but I have not examined to see whether all 12 did submit bids, and the 13th heard about it through the advertisements in the paper. But the result of that was remarkable, in that we got a lump-sum bid of \$1,432,000 for what had been estimated as a cost-plus of \$2,600,000. And the one who estimated the \$2,600,000, put in a bid at \$2,100,000, a half million dollars less.

That work was carried on successfully. In other cases, we have advertised one week, 10 days, or two weeks, depending upon the emergency, but during the time that I have been in the bureau, ever since January, 1918, the emergency has not been considered great enough to do away with all advertisements. It has not been considered advisable to keep any list of contractors to whom all proposals should be submitted. But the work to be done is placed in a card holder in an office available to any contractor who wants to come and look at it, and if he wants to bid on the work he can secure the plans and specifications. Of course, during the war period, it was not always advisable to let every person who made application for plans and specifications have them, and in a very few cases of that kind the bureau was so slow in issuing plans and specifications that the plans and specifications of the particular sketch I am referring to, were not issued before bids were received, and consequently they were not issued at all. We were simply slow.

Beginning with the spring of 1917, when the emergency was greatest, a certain number of cost-plus contracts were let, but that practice stopped in September, 1917. I think there has been only one exception to that, during the time that I have been here.



Mr. McCULLOCH. Why was the practice stopped in September, 1917?

Admiral PARKS. Because it was believed that better results would be secured by the ordinary method of the lump-sum contract.

Mr. McCULLOCH. Was that conclusion arrived at as the result of the experience of the bureau in connection with contracts on a cost-plus basis that had been let?

Admiral PARKS. Well, as I did not come to the bureau until January, 1919, I do not know that of my personal knowledge.

Mr. McCULLOCH. You mean January, 1918?

Admiral PARKS. Yes; January, 1918.

Mr. McCULLOCH. Did you have any discussion with anybody in regard to the form of contract known as the emergency construction contract, that was used in connection with the construction of camps and cantonments—emergency by the War Department?

Admiral PARKS. I had very little discussion about that. A little with my project manager on contracts.

Mr. McCULLOCH. Did you examine that contract at any time?

Admiral PARKS. I examined it to a certain extent, but not completely.

Mr. McCULLOCH. From the examination you did make of it, will you give the committee the benefit of your views in regard to that contract or that form of contract?

Admiral PARKS. Well, I can not recollect the details at this time. That was nearly two years ago. But the result of my examination was that we did stick to our own form. I did not think that it improved over our own at all.

Mr. McCULLOCH. Was any suggestion made that you adopt that form, by any one?

Admiral PARKS. I do not think that that suggestion has been made since I have been serving at the bureau, but I have heard the statement made that it had been suggested before.

Mr. McCULLOCH. What was the occasion for your examining it?

Admiral PARKS. Well, there were certain matters up at that time. The construction of the two buildings down in the park, and two storehouses at New York. It did not appear advisable to require a lump-sum contract for those jobs.

Mr. McCULLOCH. Why?

Admiral PARKS. It seemed that we could have them completed on a fixed fee which would pay for a contractor's organization, and would not give him any interest in the cost of the proposition, and proceed with the work advantageously.

Mr. McCULLOCH. Did you so proceed?

Admiral PARKS. We did on both of those contracts.

Mr. McCULLOCH. With what results?

Admiral PARKS. I think the results were very good. The first that we gave amounted to approximately 4 per cent.

Mr. McCULLOCH. When you were considering the form of contract to be introduced on these projects, you then did examine the emergency construction contract used by the War Department on camps and cantonments to some extent?

Admiral PARKS. To some extent.

Mr. McCULLOCH. And you say you rejected it? Will you give the committee the benefit of your reasons for doing so?

Admiral PARKS. I do not recall the details at this time.

Mr. McKENZIE. Were there any fundamental objections to that system of contract?

Admiral PARKS. Well, I am personally not favorable to that form of contract, and when I looked at a specification—I am not looking at it open minded. My experience has not been in favor of that kind of thing. It is the easiest kind of a contract to start, especially if you do not know what you are doing, and it is the hardest one that you have to close. I think those features affect me more than the specific wording of the specifications. I have contracts made in 1917, at the Great Lakes station, that are still open.

Now you may make a provision that no material may be ordered without the approval by the officer in charge. As this is emergency work, called emergency work, and the material is ordered without that provision, when a man comes along with a bill a year or two years later, and you know the material actually has been used on the job, it is not equity to turn him down on his failure to get approval. but if you let down the bars you do not know when he is through putting in bills. It is a hard proposition to handle.

Mr. McCULLOCH. Because the Government can not safeguard its interests.

Admiral PARKS. It is difficult to safeguard the interests.

Mr. McCULLOCH. In an effort to safeguard the Government's interest under this form of contract, what suggestion would you make as to provisions which would safeguard the Government?

Admiral PARKS. Well, the one I just suggested, which is that nothing should be ordered without the approval of the officer in charge. Do not allow any incurring of debts for material without the knowledge of the other party, and do not permit the contractor to bill material through his own office, to the job. Require that all of his purchases shall be from other parties, and that their bill, with all discounts, shall be submitted.

Now, when it comes to the pay roll part of it, it is difficult to protect your interests. You can not put enough inspectors on; they would be in the way. You have got to rely for the time upon the timekeepers, and if a man checks in and checks out 8 hours or 10 hours later, and you have not inspectors enough, you are not sure that that man has put in 8, 9, or 10 hours labor. All you are sure of is that you have been paying him for that length of time.

Now, the worst feature, and one that I think is hardest to overcome is the feeling of the laborer that the less he does the better the contractor will like him, because the larger the 10 per cent will amount to, or 5 per cent—whatever it is, and I have heard that from a contractor who has done a great deal of work for me. This contractor rather bitterly complained one day. He said, "I had a good organization before the war; good foremen, good mechanics, and I am sorry that I did not stop work before I undertook the cost-plus contracts. I have got to work after the war, and my organization is ruined." He said, "I went into a place one day and saw 12 pipe fitters; one of them was on the floor with tongs in his hands working, and the other 11 were alongside the wall, sitting down."

When this contractor made complaint to his men, they said: "You ought to be satisfied; you are making more money." Well, they could not get that contractor's point of view to save their lives.

I had an occasion at Miami, Fla., where a carpenter made very serious objection to being discharged for the reason that he had been warned, but insisted upon taking three cases of window trimmings from the pile to the window. The three pieces did not weigh more than 15 pounds. He must have taken them one at a time. That is one of the hardest and worst features to pick out. You can say, "If you have neglected that it is your loss," and you can stick to it, but he will protest to Congress for the next 20 years until he gets relief. Now, if you can equitably say that he has just neglected to do one of the contracted things that he should have done, it is probably the right thing to overlook that neglect and pay for it.

Mr. McKENZIE. The incidents that you have just been relating are some of the things that naturally flow from that form or system of contracting, is that not true?

Admiral PARKS. I would think so.

Mr. McKENZIE. It is a natural thing, and to overcome that it requires extraordinary diligence and experience on the part of the Government and the officers in charge of the work to protect the Government against those very natural consequences, isn't that true?

Admiral PARKS. I should say, roughly, that it might take 25 times the number of inspectors to do the work than we are compelled to have on the lump-sum propositions.

Mr. McKENZIE. Then, assuming that some of our cantonments were built economically and well, the reason for it was not due to the fact of the form of the contract under which the contractors were doing the work, but it was due to the extraordinary diligence of the representatives of the Government who were on the job, supervising the contract; would not that be true?

Admiral PARKS. Either of them, or of the contractors or the organization.

There were contractors, of course, who wanted to maintain their reputations. They are not going to go into a thing that is going to ruin their reputation knowingly, but a good concern may spread out so much that its organization can not cover all the field of its work.

Mr. McKENZIE. As I understand your testimony, Admiral, you stated that you have, or that the Navy Department prior to your coming had, let certain contracts on what is known as the cost-plus basis. Now, in those contracts did you have any of the so-called safeguards?

Admiral PARKS. We had all of the safeguards that we had on our lump-sum contracts. We had the lump-sum specifications of a lump-sum contract applied to the cost-plus contract. And in addition to that we had certain provisions as to what items should be considered overhead, and what should not be considered overhead, and things of that kind.

Mr. McKENZIE. And did you have anything in that such as the bonus for saving under the estimated cost or penalty for excessive costs?

Admiral PARKS. I do not think there was a single cost-plus contract with those provisions. I tried to devise them for a specific purpose, and as I recall the result of the bids for them was \$250,000, with a 43 per cent profit, and the other was \$350,000, with an 8

per cent profit. Now, the \$350,000 one, down to \$250,000, would be about a 43 per cent profit. The other one going up to \$350,000 would be an 8 per cent profit. They were worked so that two very widely built figures came out about the same place, and I revised that and tried to get ———, but the result was not much better and took up some other contractor.

Mr. McKENZIE. Did you have anything relative to time in your contracts?

Admiral PARKS. Oh, yes; time was specifically stated, with damages for delay beyond those times. Of course, the first one, the first ones of the cost plus, the time was short; I think rather too short. For instance, when we let the First Regiment at Great Lakes, something like 15,000 men were—I think in three contracts—we specified Government plumbing, and I think, perhaps, we gave them 60 days within which to do the work. Well, they could not do the plumbing in 60 days. When we took up standard plumbing, manufacturers agreed to carry the stock, but they have not done it. The result is that when plumbing requiring porcelain is given, the order must go to Trenton and the order be made. We had some rather foolish things of that kind occurring. We were left. But we modified them just as quickly as they came to our attention.

Now, we did not put in any poorer quality than this Government standard, but it did not have the Government mark under the glaze, which is the thing which causes the day.

Mr. McKENZIE. Well, you have stated that you had something like 2,200 contracts, and in the construction under those 2,200 contracts you must have found it necessary to purchase a large amount of lumber. Will you tell this committee how you proceeded to do that, and your experience in connection with that?

Admiral PARKS. Well, as soon as it was decided that a group of buildings calling for five or more million feet of lumber, was to be undertaken, we entered into telephonic communications with the lumber people to find out which association could supply the lumber for that locality.

Mr. McKENZIE. When you speak of lumber people, to whom do you refer?

Admiral PARKS. Well, we had a director of lumber, or some title of that kind, and certain organizations like the "Alabama-Mississippi," the "Georgia-Florida," etc. As near as I could understand it, these organizations all worked together under the director of lumber, for the proper allocation of lumber ordered.

Mr. McKENZIE. Under the Council of National Defense?

Admiral PARKS. I think it was under the Council of National Defense.

Mr. McKENZIE. The lumber committee?

Admiral PARKS. Yes; I think that is it. Now, they might tell us that the "Alabama-Mississippi" would supply that particular lot. We prepared a schedule of all the material to go into that job, and gave that material schedule to the bidders with a statement that it was to be furnished by this organization. We were in as much of a hurry as they had been earlier, so we were giving 10 days or two weeks advertising, and between the time of getting this advertised and the time of opening the bids of award of the contracts, there

would be a jump in price so that the contractor would not be able to secure the prices that we had given him in the schedule.

Mr. McKENZIE. Who jumped that price, Admiral, if you know?

Admiral PARKS. Well, I never did know who actually controlled the prices for these groups.

Mr. McKENZIE. Well, is it not contended, just diverging from your testimony, is not the contention that the lumber committee of the Council of National Defense fixed the prices of lumber, and that they allocated it to the different contractors?

Admiral PARKS. I think that is probably the particular committee that did it.

Mr. McKENZIE. Then, you state that when you would advertise for lumber to take care of a certain contract, between the time of the advertising and the letting of the contract, that there would be a jump in the price? That is your testimony?

Admiral PARKS. Yes, sir; that is it. So, after that, I got the plan of buying that lumber for "John Doe," with the understanding that within a reasonable time I would award the contract and substitute the contractor's time and his training privilege; his training privilege would begin from the date of the award of the contract, with discounts, etc. I only did that twice, and we stopped doing this kind of thing, but that worked very nicely in those two cases. That worked very nicely in that part of it, but one grade of lumber was not apparently available, so a request was made to substitute another grade. We approved it. Then the lumber shippers submitted and substituted another grade. We sent that back to the place, and we would not permit the contractor to use it. It was not suitable for the work, and there is a controversy on at the present time as to who has the decision as to whether the lumber will or will not be used at this time. This time we claim to have the right to say whether it shall be used or not.

Mr. McKENZIE. I want to ask you, Admiral, when they served notice on you that they were shipping a different grade from the one you required, did they notify you that the lumber would be at a reduced price, or was the price stable?

Admiral PARKS. They did not notify us that they were going to substitute the one they were going to put in. They asked permission to submit a grade which we did authorize them to ship, but they put something else in. There are different lumber grades scheduled in the different districts differently, and I think this was in No. 2 North Carolina, and they wanted to put in a No. 3 southern pine. That was all right, but when they began to put in a No. 4 North Carolina it was another thing entirely. This was a case where we were not able to get what we wanted. We had to take what we could get that was reasonably good for the purpose. This was in the case of Pelham Bay, N. Y.

This was done by the direction of the Department of Labor, and we had an exemption from the President from all rules and regulations in regard to the employment of labor and the purchase of materials and everything else. In that case we needed 22,000,000 feet for the work originally planned, and we placed an order for 4,000,000 feet, for delivery as early as possible, with the "Georgia-Alabama"—I think that was it.

We then proceeded to hunt up all mills in the country, hemlock and spruce, that had a capacity of 10,000 feet or more a week, and bought directly from wherever we found it. Well, the main camp was finished before that 4,000,000 feet began to arrive from the southern source. We had gotten a lot of hemlock and spruce from Pennsylvania. It just happens that we were able to get spruce, so that none of that year's cutting went into the job. It was all of the year's cutting before that.

In this lumber proposition there was a great deal of trouble, and often the blame for shipments was placed on the railroads for not delivering cars, and all that kind of thing, and we had a special expediting force following all these kinds of things, and the Railroad Administration was particularly accommodating in furnishing cars, but they would not furnish cars when there was nothing alongside of the siding to put on the cars. Sometimes before the trees were cut they would call for the cars.

Altogether, we got out with a small amount of delay, but we had some of these little things taking place.

Mr. McKENZIE. Admiral, during that experience did you interview or have anything to do with the head or chief of the Lumber Division of the Council of National Defense, known as the director. I believe?

Admiral PARKS. I had people detailed for that special work for the different bureaus. Personally, I did not do very much of it. I had one with the labor proposition, personally, but most of the material was done by people in my office.

Mr. McKENZIE. What?

Admiral PARKS. I had one with the labor proposition, personally, but most of the material was done by people in my office.

Mr. McKENZIE. Was there any friction between your department and the lumber organization?

Admiral PARKS. Nothing to make a record of. Of course, we did tell them that they were pretty slow, and they would tell us that they were doing it just as fast as it could be done. We had a little friction of that kind.

Mr. McCULLOCH. Admiral, I had to step out, and I want to ask you one or two more questions about the cost-plus system. You say that the Navy Department, after September, 1917, discontinued the cost-plus system?

Admiral PARKS. For public works.

Mr. McCULLOCH. Did you have trouble in securing contractor or organizations to conduct the work after that time on the other system?

Admiral PARKS. Almost none. Perhaps there may have been a half a dozen projects that were advertised and received no bids the first time they advertised, but hardly more than that in the last year.

Mr. McCULLOCH. At the time that you adopted this cost-plus system, after the emergency, did you adopt it because of your inability to get men to do the work, contractors, or for some other reason?

Admiral PARKS. This cost plus was adopted at the beginning of the emergency in April.

Admiral PARKS. That was before I came to the Bureau of Yards and Docks.

**Mr. McCULLOCH.** Do you know anything about the reason?

**Admiral PARKS.** No, sir; nothing definite.

**Mr. McCULLOCH.** The point I want to get at Admiral, is this: Was it possible, in your judgment, to get contractors with organizations in the United States to do construction work on lump-sum bids?

**Admiral PARKS.** I think it was, but the reason that principally governed this early work, as near as I can get is, that they could start getting material and men on the job before they had made their plans, and save some preliminary time in that way. It was principally a time-saver. Now, where I doubt the saving of time is that you begin to tear up almost as soon as you build. You are shifting your plans. The time that you have necessarily to put into your preliminary plans, is enough in which to secure your bids. Take that one that I mentioned—I think after you were out. Take the aircraft factory at Philadelphia, \$1,500,000, and we had 13 separate prepared bids in less than four days, and that contained an item that escaped my attention until after the bids were received, which was far from ordinary construction. If it had been ordinary construction, the contractors would have taken less time to form it than they did.

**Mr. McCULLOCH.** Less than four days?

**Admiral PARKS.** Yes.

**Mr. McCULLOCH.** So that in your opinion, the argument that it saves time would not be borne out by the facts?

**Admiral PARKS.** I think the ultimate time is greater.

**Mr. McCULLOCH.** You mean the cost-plus?

**Admiral PARKS.** Yes, sir. You are apt to order stuff you do not want, sizes you do not want, cut to waste, and everything like that. You get things where you do not need them. You will get things here and find that they ought to be over there.

**Mr. McCULLOCH.** So you think that the cost-plus system is not only conducive to waste but is slower?

**Admiral PARKS.** I think, ordinarily, it is slower, because you start before you know what you want to do. I think you can make more time by having your plans. You do not need to make elaborate pictures. Sometimes a pencil sketch is made in a few minutes, and is enough to do a lot of work on, if you put that on a table and some draftsman get at it, he may take a day to make a finished drawing. That, however, is not necessary.

**Mr. McCULLOCH.** It has been stated that it took about six weeks to get the form of the emergency construction contract in shape. As I understand it, there were a number of conferences, at least two conferences, probably more, attended by representatives of the Navy. The Navy withdrew from the conferences and failed to give their approval to that formal contract. What would you say as to a delay of six weeks in the preparation of a form contract, would it be such as to expedite this work? Could it have been done quicker if they had gone ahead and prepared the plans and specifications and given the contract to some contractor on a lump-sum basis, and have it constructed, as was suggested by Engineer Sherrill this morning. What do you think of a delay of six weeks in the preparation of a contract?



Admiral PARKS. I do not understand the necessity for six weeks.

Mr. McCULLOCH. What would you say about that kind of a delay in an emergency of that kind if it were true? I am not asking you to testify as to the truth of it. It was stated that it took six weeks to get the form of contract ready. Now, in an emergency, what would you say about that kind of a delay?

Admiral PARKS. If it took six weeks to get a form of contract ready. I would say that it took a great deal of time to do that, and I would not know where the six weeks had been put on.

Mr. McCULLOCH. Well, assuming that it had been, how long would that have taken, how much of that six weeks would it have taken on the other plan, in the light of your experience; that is, where you have contract forms that you have used for years, and methods that have been used for years?

Admiral PARKS. Well, we have got out those mimeograph specifications in one day. I should say 50 or 60 pages of mimeographed specifications, and as to these cantonments, the plans I understand were ready two years before, so that the specifications gotten out on those plans should have been started the next day, it seems to me: that is, if you were doing it on a lump-sum-basis.

Mr. McCULLOCH. Well, your experience was that you could get contractors with organizations during that emergency who were willing and acceptable to do the work for the Government. Isn't that true?

Admiral PARKS. Yes, sir.

Mr. McCULLOCH. On the lump-sum basis?

Admiral PARKS. Yes, sir. We could have got the same contractors who have done similar work for us on the cost-plus basis the year before.

Mr. McCULLOCH. That being true, and the fact that the plans were for simply shelter buildings, especially the one-story barracks which had been prepared, and all that was left probably was to survey the lands and lay out the utilities, in view of those things, there was no reason for this great delay if it was possible to get contractors to be on the work?

Admiral PARKS. They could have done as I did in one case, bid for so much of it above the foundation, and then while that is going on get out your great detailed information above the ground.

Mr. McCULLOCH. What you have just stated would apply to any specifications of a new building?

Admiral PARKS. Yes. And also for water, sewer, streets, and sidewalk systems, and all of that kind of thing. You have got a few days to get that ready.

Mr. McCULLOCH. Admiral, while you were not familiar, as you say, with the details and provisions of this emergency construction contract, yet I want to direct your attention to certain safeguards that have been in cost-plus contracts used by the Government, as probably by the Navy heretofore, and ask you what the effect of taking out those safeguards would be. First, a bonus for saving, that is the safeguard that is very often put in a cost-plus contract. Would you say that is a safeguard; that it ought to remain, or ought to be taken out?

Admiral PARKS. I have always been in favor of it when you put a damage clause in. If you are going to take away something, put an equivalent in the other direction.

Mr. McCULLOCH. You mean by that a paragraph for saving and a forfeiture on time?

Admiral PARKS. Yes. I am personally in favor of it, but it is not the practice of the Government contracts. The practice is liquidated damages for delay.

Mr. McCULLOCH. What would you say about taking both the provisions for liquidated damages for delay, and the savings and forfeiture of time out of the contracts?

Admiral PARKS. I would not take damages out.

Mr. McCULLOCH. Suppose they were both taken out, what would you say would be the effect upon the Government—the owner?

Admiral PARKS. The contractor would deliver when he got ready; when he did not have another, better customer.

Mr. McCULLOCH. Would it have the effect of delaying the work unusually, or facilitating the work?

Admiral PARKS. It would delay it, absolutely. There would be no incentive for the contractor to deliver.

Mr. McCULLOCH. The liquidated damages might apply to so much. say per unit, or the conditions could be worked out in various ways, could it not?

Admiral PARKS. Yes.

Mr. McCULLOCH. Even though the entire work on its structures were not known, you could work it out on several different bases, could you not?

Admiral PARKS. It can and has been done. We would say we have so much for barracks, so much for buildings, so much for mess halls, or so much for drilling halls; then so much for power house, and if there are 50 barracks, say \$20 per barrack per day, \$15 perhaps on some other item, \$200 on another item, but those are all separate. They are even separated between the time the buildings are substantially ready for occupancy and the heating system that will not be required for two or three months later, perhaps. You can arrange that numerous ways to be just to both sides.

Mr. McCULLOCH. And the effect of which would be to facilitate and hurry work along, while when you leave those safeguards out, there would be a natural tendency, as you very pertinently suggested, to delay their work, is that right?

Admiral PARKS. That is it, from my point of view.

Mr. McCULLOCH. I want to refer again, Admiral, to a suggestion that you brought out in your preliminary statement, which seems to be very pertinent or very appropos dealing with this situation, and that is the effect upon labor, the destruction of the morale of the laborer on the job. Could you elaborate on that and give us more in detail your views on the subject?

Admiral PARKS. On timber wharf construction in the Norfolk district before the war we considered board worth \$24 or \$25 a thousand. A year ago in December that work was costing \$165 a thousand; \$24 or \$25 a thousand before the war. Now, I think the rates of wages have increased about 80 per cent in that time. It is something like 80 per cent. It has now more than doubled, but the cost of the labor on that work has increased more than six times.

Now that is pretty largely due, in my opinion, from the tremendous demand in the district for people on cost-plus work.

Mr. McCULLOCH. Now, after giving a situation such as prevailed in the country or in various parts of the United States, we all know that labor in the various trades was being called upon to do this Government work on a cost-plus basis. Carpenters were being called to the various sections to these cantonments. Plumbers, all the various trades had a ready market for their labor. Labor could get onto the pay roll at these various places, and if, as a result of this system, the workmen got it into their minds that they could draw big wages and do little or no work, what would you say as to the effect of such a system being put into practice over the country upon the general conditions of labor and the general morale of the laborer? Would it have any effect?

Admiral PARKS. It seems that it has had a decided effect.

Mr. McCULLOCH. What would you say the effect would be, or was and is?

Admiral PARKS. Well, we had certain intrinsic values prior to the war, and I think the tendency is to lower the values.

Mr. McCULLOCH. What do you mean by intrinsic values? I wish you would define "intrinsic" as applying to your answer—the use of the term in your answer.

Admiral PARKS. Largely, the value of most projects is labor, and when you have doubled the amount of labor on the production of the same article you have lowered its intrinsic value.

Now, we are talking about something called the high cost of living.

Mr. McCULLOCH. What effect, in your judgment, upon the high cost of living was the inauguration of the cost-plus system during this war?

Admiral PARKS. I think it was a contributing factor.

Mr. McCULLOCH. Was it great, in your judgment, or small as a factor?

Admiral PARKS. I think it is pretty large in the eastern section of the country. I do not know so much about it in the rest of the country, but, particularly in the New York and Philadelphia and Norfolk districts, I think it is most pronounced.

Mr. McCULLOCH. That is, you think it has increased the cost of living?

Admiral PARKS. I think it has increased the time within which a proper adjustment can be brought about. It has delayed it.

Mr. McCULLOCH. Conditions such as you have described here, in a way, at cantonments, increased the cost of construction, labor, and otherwise. Wouldn't that have the effect to radiate out and have an effect outside of the camps and in the country generally?

Admiral PARKS. I think it has, decidedly.

Mr. McCULLOCH. That is your opinion.

Admiral PARKS. But we are pretty largely divorced from it. We have one labor rate for the Atlantic coast. Labor conditions have tremendously doubled. Where a certain rate is a higher rate in one locality, in another district it is a decidedly easy rate. Now, that thing might be explained a little more fully, perhaps, by the statement made before the Labor Board of the Philadelphia Navy Yard at one time when they were hearing committees on wage to

make an adjustment for the wages for the next year. The duty of the board was to adjust wages to the prevailing rates in the vicinity in similar trades. The committee appearing before the board says: "You are giving us a less rate of pay than the same trades in the Brooklyn Navy Yards, because we can not move. We own our houses and the other man is getting more money because he hasn't located, and he can move."

That is an example of two entirely different conditions. A low rate to a man who owns his house in Philadelphia might be a better rate than a high rate to a man who is renting a tenement in Brooklyn, but he who is getting the low rate could not see it; he could only see the higher and lower, he could not see better and poorer. That vicinity proposition we used to think was pretty badly stretched. At the Portsmouth Navy Yard the machinists desired to bring in the rates of pay prevailing in Providence, in the automobile plants, where the rate was \$6 a day for machinists, and nobody else in the country was paying \$6 a day; but that was the vicinity for Portsmouth. It was the vicinity for every navy yard on the coast. The navy yards all had different rates, depending on the conditions and other things, and it all tended to get it to a uniform rate of pay, which is very far from uniform compensation.

Mr. McCULLOCH. Following that thought along, I would like to ask you this question, Admiral: Is it not true that through the War Department the Government was in a large measure an employer of labor throughout—through the War Industries Board?

Admiral PARKS. Yes.

Mr. McCULLOCH. Now, then, if the system put into operation by the War Department, or some department—by the Government, we will say—had a tendency to increase the wages and at the same time lower the standard of the amount of labor the man was doing for a given amount of wage, if that was the effect of the system put in, what would you say as to whether or not, since the war is over, the people are reaping the benefits of that error in higher wages and in a reduction in the standards of value?

Admiral PARKS. Well, I would not want to call it an error of judgment.

Mr. McCULLOCH. What would you call it?

Admiral PARKS. The necessity of the circumstances. There were a great many things that had to be taken into consideration. We were transferring a considerable percentage of our male population into the Army. We were transferring another large percentage to a new occupation, shipbuilding, to make it possible to make use of the people that we were transferring to the Army. There were tremendous disturbances of the population. When you consider that it was a disturbance of perhaps 20 per cent of the effective male population. Some of these other things that have been done may not have been errors of judgment; they may have been the best possible things that could have been devised at the time, but after the circumstances had been changed, then it might have been desirable to discontinue that practice.

Mr. McCULLOCH. That is true; but is it not a fact, Admiral Parks, that in determining that policy, the policy that was to be followed out by the Government in the making of munitions, or the manu-

facturing of munitions, and the construction of cantonments, and in all the relations of the war work in determining that policy, the responsibility upon the men who determined the policy was very, very great; is not that true? And if the effects of it are even to be considered as far-reaching as you have indicated, then that responsibility upon them was very great; isn't that true?

Admiral PARKS. I have always thought that the people filling those positions felt their responsibility.

Mr. McCULLOCH. Assuming that they determined upon a cost-plus system, which, according to your testimony, Admiral, and I think it was very clear, very pertinent, according to your testimony, this cost-plus system had two or three very important effects. In the first place it reduced the morale of the men who were on the work. The men felt that they did not have to do a day's work for the money they got; isn't that correct?

Admiral PARKS. That is the way I considered it.

Mr. McCULLOCH. If the other system—the lump system—had been put into effect, that condition probably would not have obtained; isn't that true?

Admiral PARKS. Well, that is not at all settled.

Mr. McCULLOCH. Is it probable?

Admiral PARKS. I think it is quite possible.

Mr. McCULLOCH. Your illustration of the contractor who said, "I used to have a good force, I used to have good foremen, I used to have good superintendents, I used to have good mechanics, and I used to get good results out of them for what I paid them. Now, I can not get results"—and now when you are put upon a peace basis you are reaping the whirlwind of that; isn't that true?

Admiral PARKS. That is true; but another element would have to be considered.

Mr. McCULLOCH. I would like to get your view of it.

Admiral PARKS. Well, I had a contract over here in Quantico and I received a notice that there would be a strike on Monday. They let me know this on Friday morning, I believe. There was a peculiar reason. So I wanted to see the local manager. He told me all about it. Then I got hold of the "national," and I told him I could not understand it, that I was too dull, and I told him what they had informed me, and he said, "That is quite right; that is it. They are striking because you want to use helpers on this job." I retorted, "Well, the reason that I thought I was so dull is that this is the first thing that I have experience in that a local did not insist upon having helpers," and we finally compromised by letting one helper go on for each two mechanics. We did not get the strike. With the shortage of available men and the organization used, the contractor would have had trouble.

Mr. McKENZIE. Was Mr. Gompers in the field?

Admiral PARKS. I think he has done everything he could; I think some of the others have done all they could; but I don't think they could have done all they would like to have done.

Mr. McCULLOCH. The Government was practically the only employer in the market for labor?

Admiral PARKS. Yes; but as soon as you were on a contractor's pay roll they would have looked to see how much they could get out of that contractor, and go a bit slow next time.

Mr. McCULLOCH. Even then the contractor would have had an incentive to keep his morale up?

Admiral PARKS. He would have had it.

Mr. McCULLOCH. And the cost-plus system would have removed it?

Admiral PARKS. Yes. And it is possible that he would not have spread out so much; he would have kept his work where he could have gotten a better personal supervision.

Mr. McCULLOCH. Heretofore the morale had not been so greatly reduced; is that correct?

Admiral PARKS. I do not think it had been as much reduced.

Mr. McCULLOCH. Now, if it were possible—and according to your testimony it was, because experience is the best teacher, and you had a great many contracts during the emergency, and you testified that you could get contractors to do work for you during the emergency on a lump-sum basis—now, if you could get contractors to do that work during an emergency, then the necessity, so far as getting the work done was concerned, for the cost-plus system did not exist; is that right?

Admiral PARKS. That is the way I always felt about it.

Mr. McCULLOCH. Now, if it was unnecessary to put in the cost-plus system to get the work done, and there were two or three ways that it could have been done—one was under the quartermaster section, and that is the owner itself; the Government can do the work; the Government can do the work through its organization. We will not argue if they had the facilities or not; but that was one way of doing it.

Gen. Goethals said that was the way to do it. They could have done it that way, or, according to your testimony, they could have secured contractors who would have done it on a lump-sum basis. Therefore, if you put in a system here which reduced the morale of the laborer, which reduced the normal field of material, of the men and the value of the pay received—and that is the critical situation which now confronts us, and the country and the family to-day is confronted by the high cost of living—then those men who put that system into effect are more or less responsible for the conditions which resulted. Is that not true?

Admiral PARKS. Well, I would not want to judge them without knowing all of the conditions.

Mr. McCULLOCH. I am putting my conditions as you have outlined them in your testimony, which I think we all agree with you about. First, that the work could have been done upon a system that would not have reduced, as great as it was reduced, the morale of the labor, which is the big figure in this whole situation. Is that correct? Now, then, if it could have been done without doing that and the men charged with responsibility decided upon a system that would reduce the morale, they would delay the work; that would increase the cost, and then those men, even though they acted honestly, were guilty of an error of judgment.

Admiral PARKS. I do not know that delay was long; that was not so easily determined.

Mr. McCULLOCH. I want to go back to your own experience in that connection. As I understood you testified, Admiral—but, of course, we do not want to go beyond; I do not want to go beyond my ques-

tions; I do not want to go beyond what your experience was—but I understood you to say that the effect of the cost-plus system was to delay, for the one reason that the morale was reduced, and it could not be otherwise.

Admiral PARKS. That is the tendency; but as to a specific case, as to whether there has been delay or not, it must be further shown.

Mr. McCULLOCH. You do not know that?

Admiral PARKS. I do not know it.

Mr. McCULLOCH. We have attempted in our investigations of camps to determine that fact, and we have testimony that it was delayed as much as 100 per cent.

Mr. DOREMUS. Is that construction in 1916?

Mr. McCULLOCH. I say that there is evidence in this record that Camp Sherman and that Camp Gordon, that by reason of the operation of the cost-plus system the construction of the camps was delayed, and I think the testimony ran anywhere from 25 to 50 and even up to 100 per cent.

So far as I am concerned, if it was necessary to win that war to handle it the way that it was handled and to expedite the thing and get it won, then we will not bother about the cost or anything else. We will take our medicine, and the high cost of living. But if, upon the other hand, the men who determined that policy of cost-plus contracts could have gone about it in another way that would not have resulted in a reduction of the morale and the conditions we have talked about, at least not so much, then I say that those men are responsible for that condition, and it must have been an error in judgment, and I won't say that it was the operations of mercenary men; it might even be developed later to be that. In other words, we might have sought the cost-plus system for their own advantage. Leaving that, I say if they entered upon the cost-plus system with the best motives, and if they did not change when it was apparent that there was a better way of doing things, then, in my judgment, it was an error of judgment on their part.

Admiral PARKS. I have always considered that it was the best to change plans when a better way was found. If I understand correctly, some of these cantonments were started without making any provisions for inclosed shelter space, or things of that kind—that is, immediate shelter—and perhaps some of them were to be used for a period of occupancy, and so situated that they could be occupied before completion.

Now, they could have put tents up, and they had tents enough, perhaps, but this has proven to be a very bad sanitary way of taking care of recruits.

Mr. McCULLOCH. Just a final question, Admiral. If you had been called upon to determine the policy, I understand from your testimony that you would not have followed the cost-plus system.

Admiral PARKS. Not if it had been in my hands.

Mr. McKENZIE. Admiral, of course, we are all familiar with the effect of the situation in the country at the present time, and the effect on labor. Some are charging present conditions to the cost-plus contracting changes, claiming it is one of the elements. At any rate, it is very bad.

Would you state that in your judgment you are certain but what there might have been practically the same situation if we had not



had the cost-plus contract, due to the organization of labor, and trade, and so on and so forth. Now, I will ask you if you have in mind any way by which that condition might have been obviated?

**Admiral PARKS.** I have not. The available force for that kind of thing was so reduced that the chances of undue demands were great. I think possibly the adjustment of wages making them rather retro-active for six, eight, or nine months, was a pretty fair handicap, or lack of availability of labor. Now, such a thing as that itself was very upsetting.

**Mr. McKENZIE.** Of course, in time of war, obviously should be a time of peace, the Government is ?—— We did certain things to show our authority for the Government; for the administration. In the first place, we passed the draft law, enabling the Government to go out and take by force the young men of the country and put them into the Army. We prescribed also the compensation that those young men should receive, which was \$30 a month, and apparently we stopped there.

Now, what would you say, in your judgment, would have been the wisdom of the Government or the administration, in the meantime, in simply saying to the business men of the country and the laborers of the country, that wages and prices should remain during that war at the point where they stood when we entered the war?

**Admiral PARKS.** I did not want to undertake that.

**Mr. McKENZIE.** Why not?

**Admiral PARKS.** Because it would be stated that in view of the changed conditions you are not going to be allowed to adjust yourself to the new conditions. The conditions are absolutely changed, and those nearly 4,000,000 out of your 25,000,000 men were put in a military organization, and you also took another lot and put them in munitions, for the use of the people in the Military Establishment, and so on throughout the various things that are necessary to take care of an Army of 4,000,000 people. You changed conditions tremendously.

**Mr. McKENZIE.** Let us pursue that a little further. Of course, you say a soldier's pay shall be \$30 a month, and he is not limited to three hours, four hours, six, eight, or ten hours a day, but he has to give his entire service to the Government. Would there be any justice in saying to his neighbor at home, who has been working for \$4 a day, "You can remain at home, you are engaged industrially, and you can continue to work for \$4 per day, but you will not have to do any more work than you have been doing." Would there be any justice in that?

**Admiral PARKS.** There need not be anything unjust about it; but I think that it is pretty nearly an established fact that if you decrease the demand and do not increase your supply there will be a change in rates.

**Mr. McKENZIE.** That is true, naturally; but in time of war why should one man be entitled to profit independently while the other man sacrifices?

**Admiral PARKS.** I feel that I have no grounds on which I can make a qualified statement.

**Mr. McKENZIE.** I would like to have your opinion on that. At any rate, there is considerable dissatisfaction in this country, and especially among the 4,000,000 boys who put on the uniform, at the treat-

ment they received, while those at home were profiteering under the cost-plus contract and such other arrangements as that.

Mr. DOREMUS. If a workman has appeared before this committee and testified that by reason of the adoption of the cost-plus contract there was a delay of 100 per cent in the construction of a job, what would you say as to his reliability as a witness?

Admiral PARKS. Well, I would not want to make any statement until I knew some of the circumstances.

Mr. DOREMUS. Well, would you consider a delay of 100 per cent by reason of the adoption of the cost-plus contract a possibility?

Admiral PARKS. Yes; I think I might consider it a possibility; but before I call it a probability I would like to know some of the circumstances.

Mr. DOREMUS. Well, with that end in view, I will endeavor to point out some circumstances.

Mr. McCULLOCH. On that 100 per cent reduction in morale, I want to refer you specifically to the delay of the 16 steamfitters, 1 of which had tongs in his hands and the other 15 were sitting on the side; what percentage of morale would you say that was?

Admiral PARKS. There were only 12 of them, 11 on the side.

Mr. DOREMUS. The testimony relating to the 100 per cent delay related to the new job, one at Chillicothe, Ohio, and the other at Rockford, Ill.

Camp Sherman was situated at Chillicothe and Camp Grant was situated at Rockford, Ill.

The record shows, Admiral, that the contract for the construction of Camp Grant was executed on the 21st day of June, 1917. The same day the camp site was selected. Work on that project started on the 24th day of June, and on September 17 the camp was ready to receive 27,800 officers and men, and on December 31, 1917, it was enabled to receive 41,300 men, including all the buildings and facilities of every kind that went with that camp.

What would you say as to the reliability of a witness who would testify before this committee that as a result of the adoption of the cost-plus contracts for that work there was a delay of 100 per cent?

Admiral PARKS. Well, I have not heard yet what date was set for the completion.

Mr. DOREMUS. There was no date set for the completion in the contract.

Admiral PARKS. Well, then I do not see how the percentage of delay can be determined.

Mr. DOREMUS. Do you think, then, it was within the range of possibility that there could have been a delay of 100 per cent in the construction of Camp Grant under the cost-plus contract?

Admiral PARKS. There is a possibility, but if there is no date set. I do not see that there was any delay.

Mr. DOREMUS. You do not see that there was any delay?

Admiral PARKS. If there was no date set.

Mr. DOREMUS. Are you prepared, Admiral, to tell us that under a lump-sum contract that work would have been completed earlier than it was completed?

Admiral PARKS. I do not think that I am, if I understand that they had 50,000,000 feet of lumber—

Mr. DOREMUS (interposing). That is approximately what went into the job.

Admiral PARKS. I judge it corresponded with our camps; it would be in the neighborhood of 60 per cent buildings and 40 per cent ground work. Well, I think that is about as fast as we put them up.

Mr. DOREMUS. I now call your attention to Camp Sherman at Chillicothe, Ohio. The site was approved on the 21st of June, the contract was executed on the same day, work was started on July 6, and on September 4 the camp was ready for the reception of 13,800 officers and men. Could that job, by any possibility, have been completed 100 per cent sooner than it was? I think there was approximately 50,000,000 feet of lumber.

Admiral PARKS. On a basis for percentage, I do not see how you could get your percentage unless it was figured from the day it started.

Mr. DOREMUS. Could you see how anyone could fix—

Admiral PARKS (interposing). Not without some data to fix it on.

Mr. DOREMUS. I have been very much interested, Admiral, in the theory that Mr. McCulloch was developing in regard to the high cost of living; I will try to be serious for a moment in presenting this question, but I would like to ask to what extent the cost-plus system in the developing of these plants bears to the high cost of living?

Admiral PARKS. Well, I would not like to confine it to the 16 cantonments. There was a lot of other work. Take the quartermaster terminals and all things of that kind on the same basis.

Mr. DOREMUS. Of course, our investigation is confined to the 16 cantonments and National Guard camps.

Admiral PARKS. I don't think I ever noticed the total cost of these cantonments.

Mr. DOREMUS. Do you not think that the great contributing factors in the high cost of living are to be found entirely outside of these cost-plus contracts?

Admiral PARKS. Most of them.

Mr. DOREMUS. Undoubtedly.

Admiral PARKS. But this I consider one of the contributing causes, particularly in a district like the Hampton Roads district. It seems to have created a worse effect there than any other place that I have come in contact with. At one time I made a statement that I considered we had 65 per cent efficiency, and that was picked up by one of the engineering papers, and my attention was invited to the fact that I had mixed my figures—that 35 per cent was the efficiency figure. That 35 per cent was a good efficiency at Hampton Roads at the time of the armistice for mechanics and laborers. It has improved since, but it is not high enough to make it attractive to add additional work to the district.

We have had to put some down there, but I would have preferred to wait a year or two and let things adjust themselves.

Mr. DOREMUS. Do you know, Admiral, what representative of the Navy sat in at these conferences when the cost-plus contracts were being considered?

Admiral PARKS. I think my predecessor, Admiral Harris, did. I am not sure, but I think so.

Mr. DOREMUS. Mr. McCulloch, in one of his questions to you, stated, as I recall, as a matter of fact that the representatives of the Navy withdrew from that conference because they were opposed to the cost-plus contract. Do you know anything about that, personally?

Admiral PARKS. No; that I do not understand from my contract manager to be the case; but it was, as I understood it, because our form of contract was perfectly satisfactory to us and we did not care to make a change.

Mr. DOREMUS. Do you know that Admiral Capps was called into the conference regarding the cost-plus contracts?

Admiral PARKS. No; I do not know it.

Mr. DOREMUS. The record shows it.

Admiral PARKS. But I should expect him to have been.

Mr. DOREMUS. The record, I think, discloses that Admiral Capps was at the conference, and approved the cost-plus form of contract that was finally adopted.

Admiral PARKS. Well, that was his own idea, so far as he was concerned.

Mr. DOREMUS. No; I think the record shows, Admiral, that he was at the conferences to which I have referred and at which Admiral Capps attended. They were considering the cost-plus form of contract in the construction of these camps, fixing cantonments. I think the record will show that Admiral Capps approved it. The record will show, I think, that it was the unanimous opinion of all who attended the conference that that was the form of contract to adopt. I am anxious to ascertain, Admiral, to what extent the Navy Department, during the war, departed from its long-established custom of awarding contracts on the competitive-bidding system?

Admiral PARKS. Well, public works is all I know about definitely, and on public works, I think, we had somewhere between 45 and 50 cost-plus contracts. Then we had two cost-plus fee contracts. The fixed fee. Like buildings down on the park, and the two storehouses in New York.

Mr. DOREMUS. What sort of a contract did you have for the construction of the Navy and Munitions buildings in the city of Washington?

Admiral PARKS. That was a fixed fee.

Mr. DOREMUS. Fixed fee. You mean, based on the cost of construction?

Admiral PARKS. No; it was a fixed fee which amounted to about 4 per cent, but it had no reference to the cost of the buildings.

Mr. DOREMUS. You say it amounted to 4 per cent of the cost?

Admiral PARKS. About that.

Mr. DOREMUS. Who was the contractor?

Admiral PARKS. General Construction Co.

Mr. DOREMUS. Is this the same company that built the big Army base at Brooklyn?

Admiral PARKS. Yes.

Mr. DOREMUS. That was one of the largest construction projects undertaken during the war?

Admiral PARKS. It was; yes. They built the Army base and the Navy storehouses, the Navy base.

Mr. DOREMUS. I am informed that that job was done under the so-called emergency construction contract, and that the fee amounted to less than 2 per cent.

Admiral PARKS. The Army base?

Mr. DOREMUS. Yes. If that is so, would you consider that excessive?

Admiral PARKS. No; I would not call that excessive if all the work was carried out, but I think it was somewhat reduced. I think \$40,000,000 was the original amount to be put in that base. It was somewhat reduced.

Mr. DOREMUS. It is a matter of fact, the fee amounted to less than 2 per cent of the cost?

Admiral PARKS. Yes, sir.

Mr. DOREMUS. If I understand you correctly, I understand you to say that that would not be considered excessive.

Admiral PARKS. I should not, unless it were absolutely clear of all expense to the contractor. If the contractor is going to get anything at all, I should say that 2 per cent would not more than give him a reasonable profit on a job of that size. And then, again you have got to consider whether he is going to carry the casualty insurance himself or whether he is going to carry the policy, the bond insurance. If he is going to carry the bond insurance, he would not have anything left out of 1½ to 2 per cent. This bonding proposition is something that we are not wholly familiar with. You see a policy of 20 per cent on the job, and suppose the contractor is paying 6 per cent fee on the bond. You assume he is paying it on 100 per cent, not what the contract calls for. Except sometimes on a cost-plus contract, we charge him with a \$100,000 bond, and it may run to \$1,500,000, and the bonding company does not find out about it. The contractor will pay on the \$100,000 that he started out with.

Mr. DOREMUS. If the contractors' fees, Admiral, on all of the 16 jobs averaged between 3 and 4 per cent of cost of construction company, would you consider those fees excessive?

Admiral PARKS. I could not tell until I knew what was included. If he was carrying certain things that we consider overhead, 3, 4, 5, or 6 per cent would not be high. If those things are carried, not as straight costs, upon which he is getting a fee, then the 3 or 4 per cent might be high.

Mr. DOREMUS. Could you have incorporated in your testimony a copy of the contracts of the Navy and Munitions Building?

Admiral PARKS. Yes, sir; I will do so.

Mr. DOREMUS. And also for the Pelham Bay, N. Y., training station.

Admiral PARKS. We did not have a contract; we did that by day labor.

Mr. DOREMUS. What connection did Henry Stears (Inc.) have with that job?

Admiral PARKS. That was the first camp.

Mr. DOREMUS. Was that a cost-plus contract?

Admiral PARKS. Yes, sir.

Mr. DOREMUS. Could you insert that in the record as a part of your testimony?

Admiral PARKS. I will.

Mr. DOREMUS. Can you tell the committee now what fee Henry Stears (Inc.) received on that contract?

Admiral PARKS. I can not now; but I will insert it.

Mr. DOREMUS. You are familiar with the reputation of the Westinghouse, Church, Kerr & Co.?

Admiral PARKS. I am.

Mr. DOREMUS. You are also familiar with the reputation of Stone & Webster Co.?

Admiral PARKS. I am.

Mr. DOREMUS. You are also familiar with the reputation of the firm of J. G. Bryce & Co.?

Admiral PARKS. I am.

Mr. DOREMUS. Do you consider them efficient contractors?

Admiral PARKS. I would consider them efficient contractors.

Mr. DOREMUS. Do you know that all of their work is done under the cost-plus system?

Admiral PARKS. I am not sure that I have ever heard that they have done anything else. I think the Westinghouse, Church, Kerr & Co. bid for one lump-sum contract for me, and that was about all I know. It is not their policy to bid on lump-sum work. They have refused time and again to do it.

Mr. DOREMUS. Admiral, did you let the contract for the Navy and Munitions Buildings in Washington?

Admiral PARKS. I did; yes.

(The contracts above referred to are here printed in full in the record, as follows:)

NAVY DEPARTMENT—MEMORANDUM COPY OF CONTRACT No. 2853, BASED UPON PLANS AND SPECIFICATIONS PREPARED BY THE BUREAU OF YARDS AND DOCKS.

(The original is on file in the Office of the Auditor for the Navy Department.)

This contract, of two parts, made and concluded this 25th day of February, A. D. 1918, by and between Turner Construction Co., a corporation of the State of New York, having an office and place of business at No. 244 Madison Avenue, New York, N. Y., party of the first part, and the United States, party of the second part, witnesseth:

That the said party of the first part and the said party of the second part do covenant and agree to and with each other as follows:

First. For and in consideration of the payments to be made as hereinafter provided the party of the first part will construct and complete a Navy office building and an Army office building, to be located in Potomac Park, west of Seventeenth Street NW. and south of B Street NW., in the District of Columbia, together with the necessary connecting mains, and will furnish and install in said buildings electrical equipment and such other facilities as the Government may deem necessary and suitable, in accordance with the provisions of specification No. 2853 and drawings to be provided by the party of the second part, said drawing when so provided and approved by the Bureau of Yards and Docks to be regarded as forming a part of this contract with like operation and effect as if they were incorporated herein.

Second. Said specification No. 2853 and the general provisions therein mentioned, the instructions relative to factory inspection mentioned in the said general provisions, and addendum No. 1, dated July 10, 1917, to said general provisions, as herein modified, are appended to and form a part of this contract. Said addendum No. 1 is hereby modified as follows:

(a) The last sentence of paragraph 3, clause (a) thereof, is canceled and in lieu of the plant rental provided thereby the party of the first part shall be paid a reasonable lump-sum plant rental to be mutually agreed upon.

(b) In paragraph 5, wherever the words "monthly" and "month" occur, the words "weekly" and "week," respectively, are substituted; after the word "contractor" in the sixth sentence the words "and a proportional part of the

agreed plant rental" are added; in the seventh sentence the words "or of the fee" are canceled; and in the eighth sentence for the words "promptly after the first" the words "on the last day" are substituted.

(c) Paragraph 16 is canceled. The party of the first part shall furnish satisfactory bond in a penal sum equal to 5 per cent of the estimated amount of this contract, the cost of the bond to be included as a part of the cost of the work.

Third. The buildings to be constructed hereunder shall be completed, so far as to be suitable for beneficial occupancy, the Navy buildings within four and one-half months from date of approval of foundation plans therefor, the Army building within five and one-half months from date of approval of foundation plans therefor, and the heating plant and connecting mains within four and one-half months from the date of approval of foundation plans therefor. The entire work shall be completed as soon as possible thereafter.

Fourth. For delay in completion for beneficial occupancy as aforesaid, deductions as liquidated damages shall, subject to the provisions of the general provisions aforesaid, be made from payments earned hereunder, of \$400 a calendar day for the Navy building, \$400 a calendar day for the Army building, and \$100 a calendar day for the heating plant and connecting mains: *Provided*, That if the party of the first part shall be unable to obtain necessary materials the Government, upon request, will give such aid in obtaining them as may be practicable, and a further failure to obtain such materials will then constitute an unavoidable delay within the meaning of paragraph 14 of the general provisions aforesaid; and further, that strikes of workmen interfering with the progress of the work will likewise constitute an unavoidable delay within the meaning of said paragraph.

Fifth. In addition to the ordinary precautions heretofore adopted by the contractor for the guarding and protection of its plant and work, the contractor shall provide such additional watchmen and devices for protection of its plant and property and the work in process for the Navy Department against espionage, acts of war, and of alien enemies as may be required by the Navy Department. The contractor shall, when required, report to the Navy Department the citizenship, country of birth, or alien status of any and all of its employees. When required by the Navy Department the contractor shall refuse to employ or, if already employed, forthwith discharge from employing and exclude from its works any person or persons designated by the Navy Department for cause as undesirable for employment on work for the Navy Department. The cost of such additional watchmen and devices as may be required by the Navy Department for said purposes will be borne by the Government. This provision shall be effective only during the period of the war.

Sixth. For and in consideration of the faithful performance of the work herein provided for, the party of the first part shall be paid the cost of all labor and material furnished by it therefor, the agreed plant rental, and a fee equal to 10 per cent of the cost of that portion of the work performed directly by it, involving no subcontracts for labor at the site, and 5 per cent of the cost of that portion of the work performed indirectly, involving subcontracts for labor at the site; it being distinctly understood and agreed, however, that said fee shall in no case exceed the sum of \$250,000. Payments shall be made upon vouchers prepared, certified, and approved in the manner contemplated by paragraph 5 of said addendum No. 1: *Provided, however*, That when the sum of \$250,000, as fee has been earned, payments shall thereafter be made only for the cost of the work and plant rental; the reservations aforesaid, less liquidated damages for delay, if any, and any other credits due the United States, to be paid on completion and acceptance of the entire work herein provided for, and the execution of a release of claims as contemplated, by paragraph 29 of the general provisions aforesaid.

Seventh. Paragraph 17 of the general provisions shall not apply to this contract.

Eighth. Neither this contract nor any interest therein shall be transferred by the party of the first part to any other party or parties.

Ninth. No Member of or Delegate to Congress, nor any person holding any office or appointment under the Navy Department is, or shall, be admitted to any share or part of this contract or to any benefit to arise therefrom: *Provided*, That this provision shall not be construed to extend to this contract if the same is made by an incorporated company for the general benefit of such company.



In the performance of this contract no person shall be employed who is undergoing sentence of imprisonment at hard labor imposed by a court having criminal jurisdiction.

In witness whereof the said parties hereto have hereunto set their hands the day and year first above written.

TURNER CONSTRUCTION Co.,  
H. C. TURNER, *President*.

Witnesses:

A. L. PARSONS.  
GRAHAM EGERTON.

THE UNITED STATES,  
By F. D. ROOSEVELT,  
*As Acting Secretary of the Navy.*

As to signature of F. D. Roosevelt, Acting Secretary of the Navy:

GRAHAM EGERTON, *Solicitor*.

O. K.—G. R. K., E. H. M., S. L. W.

SPECIFICATION NO. 2853 FOR NAVY OFFICE AND WAR OFFICE AT WASHINGTON, D. C.

#### GENERAL PROVISIONS.

1. The general provisions entitled "General provisions forming part of specifications for contracts for public works, Bureau of Yards and Docks, March 20, 1917," shall form a part of this specification.

#### SPECIAL PROVISIONS.

2. *General intention.*—It is the declared and acknowledged intention and meaning to provide and secure a building for use as a navy office, a building for use as a war office, and a heating plant for both buildings.

3. *General description.*—The Navy office building shall be a three-story, reinforced concrete structure, having wings extending out from a head house at wings and the head house being 60 feet in width outside of walls. The War office building shall be similar to the Navy office building. Both buildings shall have suitable toilets, staircases, elevators, plumbing, lighting, and heating systems. The work includes a separate building for use as a heating plant, together with the necessary equipment and connecting mains. The buildings shall be complete in every respect for the purpose for which they are intended, and all work shall be done as directed by the officer in charge.

4. *Location.*—The two office buildings shall be located in Potomac Park, between Seventeenth and Twenty-first Streets, on B Street NW., and the heating plant west of Twenty-fifth Street and south of D Street NW., Washington, D. C. The exact location will be indicated by the officer in charge.

5. *Time of completion.*—The time of completion shall be as stated in the contract.

6. *Damages for delay.*—In accordance with the provisions of paragraph 12 of the "General Provisions" shall be as stated in the contract.

7. *Night work.*—If the contractor desires to carry on work at night outside the regular hours he shall make application to the officer in charge in ample time to enable satisfactory arrangements to be made by the Government for inspecting the work in progress. If granted permission he shall light the different parts of the work in a manner satisfactory to the officer in charge and shall comply with all regulations.

8. *Employment of labor.*—The contractor shall not employ on the work any citizen of nations with whom the United States is at war, nor of nations allied to or friendly with nations at war with the United States. Furthermore, the officer in charge shall have the right to demand immediate removal of any individual from the work, and where such demand is made the individual referred to shall be removed from the work and not again employ thereon. This right of removal shall apply to all work done by the contractor whether on the site or elsewhere.

9. *Lack of Government facilities.*—Particular attention is called to the fact that no Government facilities will be available for the use of the contractor.

10. *Method of procedure.*—After the contract is awarded the contractor shall submit to the Chief of the Bureau of Yards and Docks a detailed statement, outlining the method of procedure that he proposes to follow.

11. *Drawings required of the contractor after the contract is awarded.*—The contractor shall submit to the officer in charge for approval such drawings as he may be requested to furnish before commencing the work to which they shall apply.

12. *Use of structure before acceptance.*—The Government shall have the right at any time during the construction of the structure to enter the same for the purpose of installing, by Government labor or by other contracts, any necessary work, or for any other purpose in connection with the installation of facilities, it being mutually understood and agreed, however, that the contractor and the Government will, so far as possible, labor to mutual advantage where their several works in the above-mentioned or unforeseen instances touch upon or interfere with each other.

13. *Eight-hour law.*—The contractor will have the right, under the contract, to employ labor in excess of eight hours per day, in view of the present emergency conditions; such employment in excess of eight hours, however, shall be paid for at the rate of not less than time and one-half time. Attention of bidders is directed to the Executive order dated March 22, 1917, which authorizes suspension of the limitation of eight hours' work on Government contracts.

#### MATERIALS AND WORKMANSHIP.

14. All materials and workmanship shall be of the best quality of their respective kinds unless other grades are specifically mentioned, and the acceptance of same is understood and agreed to be subject to the approval of the officer in charge.

#### OFFICE BUILDINGS.

15. *Work required.*—The two office buildings shall have a reinforced concrete framework supporting the second and third floors, the roof, the outside walls, and the partitions. The first floors shall be of concrete resting directly on earth, with the floor level from one to three feet above the ground outside the buildings.

16. *Loads.*—The second and third floors shall be designed for a live load of 75 pounds per square foot. Columns shall be designated for a live load of 50 pounds per square foot of floor area. The roof shall be designed for the following live and dead loads, snow 40 pounds, insulating tile 25 pounds, cinder fill and roof covering 10 pounds.

17. *Walls.*—The outside walls shall have steel sash with plastered hollow tile or brick for the portion below the window sills.

18. *Partitions.*—Interior partitions shall be smooth-faced hollow tile and shall have wood doors and transoms with glass sash above a portion of the partitions along the main corridors.

19. *Roof.*—The roof shall be of reinforced concrete with an insulating medium or a suspended ceiling and a waterproof coating of tar and gravel.

20. *Woodwork.*—All woodwork shall be painted with lead and oil, but cold-water paint shall be used for the entire masonry interior.

21. *Plastering.*—There will be no plastering on any interior surfaces except those of the outside walls.

22. *Elevators.*—Two electric freight elevators shall be provided in each building.

23. *Mechanical equipment.*—Heating, lighting, and plumbing equipment complete for both buildings are included.

#### HEATING PLANT.

24. Work required includes a building, certain equipment, and connecting mains to the office buildings. Details of construction shall be as directed by the officer in charge.

#### GENERAL.

25. Two plans Y. & D. Nos. 75097 and 75098, showing location of buildings accompany this specification and form a part of the contract. Additional plans

and specifications will be provided from time to time as required, and when approved will form a part of the contract.

NAVY DEPARTMENT,

*Bureau of Yards and Docks, February 25, 1918.*

This supplemental agreement, made and concluded at Washington, D. C. this 15th day of March, A. D., 1918, by and between Turner Construction Co. a corporation of the State of New York, having an office and place of business at 244 Madison Avenue, New York, N. Y., party of the first part, and the United States, party of the second part, witnesseth:

That whereas it is deemed necessary and desirable to make certain changes in the provisions of the contract between the parties hereto, dated February 25, 1918, for the construction of Navy and Army office buildings, with heating plant, connecting mains, electrical equipment, and other facilities, in the District of Columbia.

Now, therefore, in consideration of the premises, and for and in consideration of the covenants and promises hereinafter stated, one for the other, it is mutually covenanted, agreed, and promised as follows—that is to say:

First. The heating plant and connecting mains called for in the first paragraph of contract No. 2853 shall be omitted, but the steam-heat distribution system within the buildings shall be included as part of the work under the contract.

Second. Clause third of said contract is hereby so modified as to read as follows:

"Third. The buildings to be constructed hereunder shall be completed as far as to be suitable for beneficial occupancy as follows: One-half the Navy building by August 15, 1918; one-half the Army building by September 1, 1918; the remainder of the Navy building by September 15, 1918; the remainder of the Army building by October 1, 1918. The entire work shall be completed as soon as possible thereafter. The time when one-half or the whole of each office building is suitable for beneficial occupancy shall be when such half or the whole of the building is fully inclosed with the painting, interior finish, heating, plumbing, electric work, floors, and partitions in such state of completion that any additional work to be done shall be of such character as not to interfere with the use of the building for the purpose intended."

Third. Clause fourth of said contract is hereby so modified as to read as follows:

"Fourth. For delay in completion for beneficial occupancy as aforesaid, deductions as liquidated damages shall, subject to the provisions of the general provisions aforesaid, be made from the payments earned hereunder of \$20 a calendar day for one-half the Navy building, 200 a calendar day for one-half the Army building, \$200 a calendar day for the remainder of the Navy building, and \$200 a calendar day for the remainder of the Army building. *Provided*, That if the party of the first part shall be unable to obtain necessary materials the Government, upon request, will give such aid in obtaining them as may be practicable, and a further failure to obtain such materials will then constitute an unavoidable delay within the meaning of paragraph 3 of the general provisions aforesaid; and further, that strikes of workmen interfering with the progress of the work will likewise constitute an unavoidable delay within the meaning of said paragraph."

Fourth. Clause sixth of said contract is hereby so modified as to read as follows:

"Sixth. For and in consideration of the faithful performance of the work herein provided for, the party of the first part shall be paid the cost of the work furnished by it therefor, as defined in addendum No. 1 of July 10, 1917, as modified by said contract, a plant rental of \$20,000 and a fee equal to 5 per centum of the cost of that portion of the work performed directly by it, involving no subcontracts for labor at the site, and 5 per centum of the cost of that portion of the work performed indirectly by it, involving subcontracts for labor at the site; it being distinctly understood and agreed, however, that said fee shall in no case exceed the sum of \$250,000. Payments shall be made upon vouchers prepared, certified, and approved in the manner contemplated by paragraph 5 of addendum No. 1: *Provided, however*, That the weekly payments on account of fee shall be made at the rate of 5 per centum of the cost of the work: *And provided further*, That when the sum of \$250,000 has been paid on account of said fee, payments thereafter shall be made only for the cost of the work and plant rental until the entire work herein provided

for shall have been completed and accepted, when the balance of the fee, less any credits due the United States, will be paid upon the execution of a release of claims as contemplated by paragraph 29 of the general provisions aforesaid. Payment under plant rental shall be made in four monthly installments of \$5,000 each, beginning May 1, 1918. No reservation from weekly payments on account of plant rental shall be made."

Fifth. The provisions of this agreement are supplemented by letter of the party of the first part dated February 27, 1918, and by letter of the party of the second part dated March 1, 1918, a copy of which is attached hereto and forms a part of this agreement.

Sixth. In the second clause of contract No. 2853, subhead (b), omit the phrase "in the seventh the words 'or of the fee' are canceled."

Seventh. The specifications forming part of said contract are hereby amended as follows:

Paragraph 12: Add, "Whenever any parts of either building have been made ready for beneficial occupancy, the Government reserves the right to occupy such parts of the buildings."

Paragraph 20: Strike out period at end of paragraph and add, "except as directed by the officer in charge."

Paragraph 21: For present paragraph substitute—

"21. *Plastering*.—Plastering will be provided as may be directed by the officer in charge."

Add a paragraph as follows:

"23. *Foundations*.—Concrete foundation piles as required by the officer in charge are included."

Eighth. And it is further mutually understood, promised, covenanted, and agreed that this agreement shall be held and regarded as and be supplementary to and amendatory of the aforesaid contract, plans, and specifications; that it shall in no manner or degree affect, modify, alter, omit, or vitiate any provision or requirement of said contract, plans, or specifications, except as specifically stated; that each and every provision and requirement of said contract, plans, and specifications shall remain in full force and effect and shall be applicable to and govern all actions, operations, and transactions on or in connection with the construction and completion of said work, except as otherwise specifically stated and provided; that nothing contained or stated in this agreement and nothing done or required under its terms shall operate or be held to annul, release, or otherwise affect the bond attached to the aforesaid contract, but the same shall be and remain in full force and virtue in the same manner and with like effect as though the modifications herein provided for had been included in and made a part of the aforesaid contract at the time of the execution of the same: *Provided, however*, That this agreement shall be accepted, signed, and sealed by the surety on the bond attached to the aforesaid contract, and said surety is hereby made a party to this agreement for the purpose of extending the obligation of said bond to cover the changes herein provided for.

In witness whereof the said parties have hereunto set their hands and seals the day and year first above written.

TURNER CONSTRUCTION CO.,

H. C. TURNER, *President*.

THE UNITED STATES,

By F. D. ROOSEVELT,

*As Acting Secretary of the Navy.*

Signed, sealed, and delivered in the presence of—

Attest:

H. E. PLUMER,

GRAHAM ECKETON,

*Solicitor to F. D. Roosevelt, Acting Secretary of the Navy.*

The United States Fidelity & Guaranty Co., as surety, on the bond of Turner Construction Co., guaranteeing the performance of its contract with the United States of America, hereby consents to the execution of the supplemental agreement hereinbefore recited.

Dated New York, April 16, 1918.

UNITED STATES FIDELITY & GUARANTY CO.

By EDWARD R. LEWIS.

Attest:

C. D. MARSHALL.

## GENERAL PROVISIONS FORMING PART OF SPECIFICATIONS FOR CONTRACT FOR PUBLIC WORKS, BUREAU OF YARDS AND DOCKS, NAVY DEPARTMENT.

MARCH 20, 1917.

1. *Contract.*—The contract to cover the work to be done will be based upon these general provisions, the detailed specification of the work, and the plans or other papers to which such detailed specification refers, all of which will be attached to and form a part of the contract. The successful bidder will be the party of the first part to the contract, and will be known as the contractor, and the Navy Department will be the party of the second part, and known as the Government.

2. *Government representatives.*—The work will be under the general direction of the Chief of the Bureau of Yards and Docks, acting under instructions of the Secretary of the Navy. A resident officer of the Corps of Civil Engineers, United States Navy, or other officer or representative of the Government, known as the officer in charge, will have immediate charge and supervision of the work and of all details thereof, including inspection. Appeals may be made to the resident senior naval officer, to the Chief of the Bureau of Yards and Docks, and to the Secretary of the Navy in the order named.

3. *Control of work.*—The Government, by its officer in charge, shall at all times exercise full supervision and general direction of all work under the contract so far as it affects the interests of the Government, and all questions, disputes, or differences as to any part or detail thereof shall be decided by such officer in charge, subject to appeal, provided that it shall be distinctly understood that the supervision and general direction of all work under the contract by the officer in charge shall not relieve the contractor of responsibility for the full protection of and responsibility for his work, both as regards sufficiency and time of execution.

4. *Omissions and misdescriptions.*—The omission from the contract or from the plans, specifications, or other papers attached thereto and forming a part thereof or the misdescription of any details of work the proper performance of which is evidently necessary to carry out fully the general intention expressed in the detailed specification of the work shall not operate to release the contractor from performing such work, but the same shall be fully and properly performed in the same manner as if fully and correctly indicated, described, and required in and by the contract and without expense to the Government in addition to the contract price.

5. *Discrepancies.*—The specifications and plans forming part of the contract shall be considered as supplementary one to the other, so that materials and workmanship indicated, called for, or necessarily implied by the one and not by the other shall be supplied and worked into place the same as though specifically called for by both. Should any discrepancy be found to exist between plans and specifications or any parts of either, or should the language of any part of the contract prove to be ambiguous or doubtful, the officer in charge will decide as to the true intent and meaning.

6. *Facilities.*—Unless otherwise specifically stated the contractor shall be allowed reasonable space at the site of the work and access to the same for receiving, handling, storing, and working material. Employees, material, and plant shall be confined to the space assigned. Upon the completion of the work the contractor shall remove all his surplus material, machinery, tools, etc., from the property of the Government, and upon failure so to do within 30 days from the date of notice to remove they may be treated as abandoned property.

7. *Employees.*—The contractor shall employ only competent, careful, orderly persons upon the work; and if at any time it shall appear to the officer in charge that any person employed upon the work is incompetent, careless, reckless, or disorderly, or disobeys or evades orders or instructions or shirks his duty, such person shall be immediately discharged from and not again employed upon the work. Such discharge may be directed by the officer in charge, and if not acceptable to the contractor shall be nevertheless immediately effected preceding any appeal. No person undergoing sentence of imprisonment at hard labor shall be employed on the work. The contractor shall, in the prosecution of the work, take such measures for the safety of life and limb as will meet and satisfy the requirements of the laws of the State where the work is done.

8. *Time of commencement of work.*—The contractor shall commence work immediately after the delivery to him of a copy of the contract and continue without interruption unless otherwise directed by the Government.

9. *Time of completion.*—Each bidder shall state the number of calendar days required to complete the work, counting from the date a copy of the signed contract is delivered to him.

10. *Evaluation of bids.*—Bids will be evaluated on the basis of the agreed damages per day in each case where different times for completion are named by bidders, the shortest time being taken as the standard and other bids increased at the per diem rate to cover the increased time required. Bidders are at liberty to submit as many bids as they desire, naming different periods of time for completion of the work.

11. *Continuance of work after time.*—It is mutually understood and agreed that in the event of the work not being completed within the time allowed by the contract said work shall continue and be carried on according to all the provisions of said contract, unless otherwise directed by the Government in writing, and said contract shall be and remain in full force and effect during the continuance and until the completion of said work unless sooner revoked or annulled according to its terms: *Provided*, That neither an extension of the time beyond the date fixed for the completion of said work nor the permitting or accepting of any part of the work after said date shall be deemed to be a waiver by the Government of its right to annul or terminate said contract for abandonment or failure to complete within the time specified, or to impose and deduct damages as hereinafter provided.

12. *Extension of time.*—For causes of the character hereinafter enumerated extensions of time for the completion of the work may be allowed. Should the contractor at any time consider that he is entitled to an extension of time for any cause, he must submit in writing to the officer in charge an application for such extension, stating therein the cause or causes of the alleged delay. The officer in charge will refer the same at once with full report and recommendation to the Navy Department, Bureau of Yards and Docks, for consideration, and for such action as the circumstances may warrant. The failure or neglect of the contractor to submit, as above provided, his claim for extension of time within 30 days after the happening of the cause or causes upon which his claim is predicated, shall be deemed and construed as a waiver of all claims and right to an extension of time for the completion of the work on account of the alleged delay, and the contractor agrees to accept the finding and action of the Navy Department, Bureau of Yards and Docks, in the premises as conclusive and binding.

13. *Damages for delay.*—In case the work is not completed within the time specified in the contract, or within such extension of the contract time as may be allowed, it is distinctly understood and agreed that deductions at the rate named in the specifications of the work shall be made as liquidated damages and not as penalty from the contract price for each and every calendar day after and exclusive of the date within which the completion was required up to and including the date of completion, said sum being specifically agreed upon as a measure of damage to the Government by reason of delay in the completion of the work; and the contractor agrees and consents that the contract price, reduced by the aggregate damages so deducted, shall be accepted in full satisfaction for all work done under the contract.

14. *Unavoidable delays.*—Unavoidable delays are such as result from causes which are beyond the control of the contractor, such as acts of Providence, fortuitous events, inevitable accidents, abnormal conditions of weather or tides, or strikes of such scope and character as to interfere with the progress of the work. Delays caused by acts of the Government will be regarded as unavoidable delays. Delays in securing delivery of materials, or by rejection of materials on inspection, or by changes in market conditions, or by necessary time taken in submitting, checking, and correcting drawings or inspecting material, or by similar causes, will not be regarded as unavoidable. Should any delay in the progress of the work seem likely to occur at any time, the contractor shall notify the officer in charge in writing of the anticipated or actual delay, in order that a suitable record of the same may be made. (See par. 12.)

15. *Progress.*—The contractor, if so directed, shall furnish on a prescribed form a schedule of expected progress on the work under the contract, showing approximately the dates on which each part or division of the work is expected to be begun and finished. The contractor shall also forward to the officer in charge as soon as practicable after the first day of each month a summary

report of the progress of the various parts of the work under the contract in the mills or shops and in the field, stating the existing status, rate of progress, estimated time of completion, cause of delay, if any, etc.

16. *Annulment of contract.*—If at any time the progress of the work shall have been such as to show that the work can not be completed within the time allowed, or should any provision of the contract be violated by the contractor, the Chief of the Bureau of Yards and Docks may, if in his opinion the interests of the Government demand it, declare the contract null and void without prejudice to the right of the Government to recover for default therein of violations thereof. Should the contract be declared null and void the contractor agrees that the Government may hold all material delivered and work done under the contract and all machinery, tools, appliances, and accessories upon the site of the work or used in connection therewith pending the completion of the work covered by the contract unless allowed or directed to remove them in whole or in part. If the contractor is directed to remove the whole or any part of said machinery, tools, appliances and accessories and fails or neglects to do so within 30 days after notice, the Government shall thenceforth be free from any responsibility for the care or preservation thereof and shall be entitled to reimbursement for any expense incurred in connection therewith. Upon the annulment of the contract a board of officers or other representatives of the Government shall be appointed, which shall ascertain and determine the value of all material delivered and work done, including a fair and reasonable margin of profit thereon, and upon the approval of the findings of said board by the Chief of the Bureau of Yards and Docks the Government may proceed to complete the work according to the contract, with such changes as may subsequently be found necessary or desirable, in such manner and by such means as it may deem advisable, and may, if the interests of the Government demand it, use or employ any material, tools, machinery, appliances, and accessories belonging to or furnished by the contractor for use in connection with the work covered by the contract.

Said board shall also inventory and estimate the value of said material, tools, machinery, appliances, and accessories, and said inventory and estimate shall, if approved by the Chief of the Bureau of Yards and Docks, be conclusive in any accounting between the parties to the contract: *Provided*, That the Government shall not be liable for depreciation by ordinary wear and tear or injury or destruction by superior force or for such material or articles as are consumed in use. Upon the completion of the work the cost of completing the same shall be ascertained and determined, and when approved by the Chief of the Bureau of Yards and Docks shall be final, conclusive, and binding upon all parties; and should the total cost of the work, including payments made to the contractor, exceed the contract price modified by the cost of any changes made before or after annulment, determined as provided in the following paragraph, the difference shall be charged to the contractor, who undertakes and promises to pay the same upon demand. Should the total cost of the work be less than the contract price the contractor shall be credited with the difference between the contract price, as modified by changes, and the total cost of the work, provided the amount so credited shall not exceed the amount found by the board above mentioned to be the value of the material delivered and work done by the contractor, less previous payments to him.

17. *Changes.*—The Government reserves the right to make such changes in the contract, plans, and specifications as may be deemed necessary or advisable and the contractor agrees to proceed with such changes as directed in writing by the Chief of the Bureau of Yards and Docks. The cost of said changes shall be estimated by the officers in charge, and if less than \$500 shall be ascertained by him. If the cost of said changes is \$500 or more, as estimated by the officers in charge, the same shall be ascertained by a board of not less than three officers or other representatives of the Government. The cost of the changes as ascertained above, when approved by the Chief of the Bureau of Yards and Docks, shall be added to or deducted from the contract price, and the contractor agrees and consents that the contract price thus increased shall be accepted in full satisfaction for all work done under the contract: *Provided*, That the increased cost shall be the estimated actual cost to the contractor at the time of such estimate and that the decreased cost shall be the actual or market value at the time the contract was made plus a profit of 10 per cent.



18. *Extras.*—The contract price shall cover all expenses, of whatever nature or description, connected with the work to be done under the contract. Should the contractor at any time consider that he is being required to furnish any material or labor not called for by the contract, a written itemized claim for compensation therefor must be submitted by him to the officer in charge, who will refer the same at once with full report and recommendation to the Navy Department, Bureau of Yards and Docks, for decision and formal order covering approved items, if any. The failure or neglect of the contractor to present, as above, his claim for material or labor alleged to be extra within 60 days after being required to furnish or perform the same shall be deemed and construed as a waiver of all claim and right to additional compensation for the furnishing or performance of the alleged extra material or labor, and the contractor agrees to accept the finding and action of the Navy Department, Bureau of Yards and Docks, in the premises as conclusive and binding.

19. *Oral modifications.*—It is distinctly understood and agreed that no oral statement of any person whomsoever shall be allowed in any manner or degree to modify or otherwise affect the terms of the specifications, plans, or the contract. Changes shall be made only as herein elsewhere specified.

20. *Patents.*—The contractor shall forever protect and defend the Government in the full and free use and enjoyment of any and all necessary rights to any invention, machine, or device which may be applied as a part of the work, either in its construction or use after completion, against the demands of all persons whomsoever.

21. *Contractor's responsibility.*—The contractor shall be responsible for the entire work contemplated by the contract and every part thereof and for all tools, appliances, and property of every description used in connection therewith. All methods of work, tools, appliances, and auxiliaries of all descriptions shall be safe and sufficient, and, if found by the officer in charge not to be so, shall be made satisfactory by the contractor without delay. The contractor shall specifically and distinctly assume all risks connected with the work, and shall be held liable for all damage or injury to property used or persons employed on or in connection with the work and all damage or injury to any person or property, wherever located, resulting from any action or operation under the contract or in connection with the work, and undertakes and promises to protect and defend the Government against all claims and to reimburse it for any outlay on account of any such damage or injury.

22. *Supervision.*—The contractor shall give the work his personal attention and shall be present on the site of the work continually during its progress, either in person or by duly authorized representative, to receive directions or instruction from the officer in charge. The name of such authorized representative shall be communicated in writing to the officer in charge.

23. *Eight-hour law.*—Special attention is called to the provisions of the laws relating to hours of labor upon public works. Any violation of said laws coming to the notice of the Government officers or employees will be reported to the Navy Department for such legal action as may appear warranted.

Subject to the provision of section 2 of the eight-hour law of June 19, 1912, no laborer or mechanic doing any part of the work contemplated by the contract in the employ of the contractor or any subcontractor contracting for any part of said work contemplated shall be required or permitted to work more than eight hours in any calendar day upon such work. For each violation of this provision a penalty of \$5 shall be imposed for each laborer or mechanic for every calendar day in which he shall be required or permitted to labor more than eight hours upon said work, and the amount of any such penalties shall be withheld for the use and benefit of the Government from any moneys becoming due under this contract, whether the violation of this provision is by the contractor or any subcontractor.

24. *Special plans.*—Wherever it shall be necessary the contractor shall make special or detail plans in amplification of the contract plans, or in furtherance of the specifications, before proceeding with the execution of the work. Such plans shall be submitted to the officer in charge or Chief of Bureau of Yards and Docks, as may be directed, in the form of blue prints, in duplicate, for consideration, correction, or approval. When approved, one set of these prints shall be returned to the contractor so marked. When changes or corrections are necessary, one set shall be returned to the contractor so noted, and he shall proceed as before with the submission of duplicate prints. When any plan has been approved, the contractor shall furnish the officer in charge with additional blue-print copies, or with the tracing, or an equivalent as regards

the facility for printing. If a tracing is submitted, the Government will make such prints as it may require and will return the tracing to the contractor. On the completion of the work the contractor shall, if so directed, furnish the Government with one complete set of Vandyke prints, on cloth, of all approved plans. When the work of the contractor is of a nature originating with him, full general and detail plans shall be furnished to the Government in the form of tracings, or the equivalent as regards facility for printing, which shall, upon approval, become the property of the Government, approved sets or prints being furnished to the contractor. The approval of the general and detail plans of the contractor shall in all cases be of a general nature relating to their sufficiency and compliance with the intention of the contract, and shall not relieve the contractor from errors, discrepancies, or omissions therein contained, which shall be made good whenever found.

25. *Checking plans and dimensions; lines and levels.*—The contractor shall check all plans furnished him immediately upon their receipt and promptly notify the officer in charge of any discrepancies discovered therein. Figures marked on plans shall, in general, be followed in preference to scale measurements, but the contractor must compare all plans and verify the figures before laying out the work and will be held responsible for any errors therein that might have been avoided. Large-scale plans shall, in general, govern small-scale plans. In all cases where dimensions are governed by conditions already established the contractor must depend entirely upon the measurements taken by himself, scale or figured dimensions to the contrary notwithstanding. No deviation from the specified dimensions will be allowed unless authorized by the officer in charge. The contractor shall be held responsible for the lines and levels of his work, which upon completion shall fulfill the intention of the contract.

26. *Inspection.*—The contractor must afford every facility necessary for the safe and convenient inspection of the work throughout its construction. The officer in charge shall have power to reject material and workmanship which are not in accordance with the contract, and all such must be removed promptly by the contractor and replaced to the satisfaction of the officer in charge without extra expense to the Government. Should it be deemed advisable by the officer in charge to make an examination of work already completed by removing or tearing out the same, the contractor shall furnish all necessary facilities, labor, and material. If the work is found to be defective in any respect, due to the fault of the contractor, he shall defray all the expenses of such examination and of satisfactory reconstruction. If the work be found to meet the requirements of the contract, the actual cost of the examination plus 10 per cent will be allowed to the contractor, and the contractor shall be granted a suitable extension of time on account of the additional work involved, provided such extension of time is clearly warranted.

Provisional acceptance in the course of construction shall not preclude rejection upon the discovery of defects previous to acceptance of the completed work. All inspection of material and workmanship will be made, unless otherwise provided, after delivery at the site. When material is to be inspected at the factory, the "Instructions relative to factory inspection of machinery and material, coming under the cognizance of the Bureau of Yards and Docks, Navy Department," will form a part of the contract. Material rejected at the place of manufacture or elsewhere shall not be delivered on the site of the work, and material rejected at the site of the work shall be at once distinctly isolated and, as soon as possible, removed from the Government reservation and not returned thereto.

27. *Order, protection, and completion of work.*—The contractor shall protect his materials and work from deterioration and damage during construction and upon completion shall, without delay, remove his plant and all surplus material and rubbish from the site. The contractor will be required to carry on this work without interfering with the ordinary use of the streets or with the operations of other contractors or delaying or hindering any work done by the Government, whether upon the site or not. He shall make good all damage to property of the Government caused by his operations. It is understood and agreed that the parties to the contract will, so far as possible, labor to mutual advantage where their several works in the above-mentioned or unforeseen instances touch upon or interfere with each other. Mutual concessions under the direction of the officer in charge shall be made to secure this end.

28. *Schedule of prices.*—Before the first payment becomes due the contractor shall submit to the officer in charge an itemized schedule of prices on prescribed forms furnished by the officer in charge. The officer in charge will check such schedule and forward it to the Bureau of Yards and Docks with his recommendation, and the schedule, after it has been approved by the bureau, will govern the preparation of monthly estimates. Allowance for nonperishable material delivered at the site of the work will be made when it appears to the satisfaction of the officer in charge that such material will be worked into place within a reasonable time after date of delivery, and the officer in charge shall determine what period shall constitute a reasonable time after delivery. Allowance will be made for such temporary work as is of intrinsic value to the Government for the time being, such as cofferdam, sheet piling, cribwork, dikes, concrete forms, scaffolding, etc., when such work constructed in accordance with general plans submitted by the contractor is in place and completed and found by the officer in charge to be sufficient for the purpose for which it was constructed: *Provided, however,* That allowance in any payment on account of such temporary work shall not be disproportionate to the value of other work included therein, to be determined by the officer in charge, and that payment shall place no responsibility on the Government for the success or failure of the structure on account of which payment is allowed.

The prices to be allowed for material for use in temporary work shall be the estimated actual value to the Government should the contractor fail to proceed with the contract to completion. The prices for material used in the permanent structure shall be the actual current market value as nearly as may be ascertainable. The difference between the total of the schedule of prices prepared as above indicated and the contract price shall be distributed among all the items of the schedule, so that the total of the approved schedule shall in every case equal the total contract price. When the contract or any part thereof is based on unit prices and estimated quantities, these quantities and unit prices shall be employed in the schedule. Whenever the contract price is increased or decreased by supplementary agreement or order, the schedule of prices shall be amended to conform to the increased or decreased contract price.

29. *Payments and reservations.*—Vouchers will be prepared by the officer in charge of the work as soon as practicable after the end of each month covering his estimate, according to the schedule of prices, of all material delivered, material worked into place, and work done to date. From such gross estimate will be deducted the next previous gross estimate, if any, and 10 per cent of the difference, unless otherwise specified. The contractor shall certify to the correctness, justness, and nonpayment of said vouchers, after which they will be forwarded to the Bureau of Yards and Docks for approval and for reference to the Paymaster General of the Navy for payment by check. Upon the completion of the contract the balance due on account thereof will be covered by similar vouchers, subject to any credits in favor of the Government: *Provided,* That the contractor shall first execute and deliver a final release to the Government in such form and containing such provisions as shall be approved by the Navy Department of claims against the Government arising under or by virtue of the contract.

30. *Lien.*—The Government shall have a lien upon the material entering into the work under the contract for all moneys paid for and on account thereof, which lien shall begin with the first payment, and shall thereupon attach to the work done and materials furnished, and shall, in like manner, attach from time to time as the work progresses and as further payments are made, and shall continue until it shall have been properly discharged; and said lien hereby provided is, pursuant to the act of Congress approved August 22, 1911, paramount.

31. *Subcontracts.*—The contractor shall furnish the officer in charge, for the information of the Bureau of Yards and Docks, immediately upon the execution of any subcontract, a statement showing the name and address of the subcontractor, the character and location of the work involved, date of contract, time limit, if any, and amount of money agreed to be paid. This does not include material men performing no labor nor persons employed individually.

NAVY DEPARTMENT,

Bureau of Yards and Docks, March 20, 1917.

ADDENDUM NO. 1 TO GENERAL PROVISIONS FORMING PART OF SPECIFICATIONS FOR PUBLIC WORKS, BUREAU OF YARDS AND DOCKS, NAVY DEPARTMENT, RELATING TO CONTRACTS BASED ON COST-PLUS PERCENTAGE (SUPERSEDING ADDENDUM NO. 1, DATED JULY 7, 1917).

JULY 10, 1917.

1. *Applicability limited.*—The provisions of this addendum to the general provisions forming part of specifications for contracts for public works are applicable only to such contracts as specifically include this addendum as a part thereof and which provide for payment on the basis of cost to the contractor plus a percentage of such cost.

2. *Percentage.*—Unless provision is made in the contract to the contrary, the percentage shall be 10 per cent of the cost of that portion of the work performed by the contractor, and 5 per cent of the cost of that portion of the work which may be performed under subcontracts, subcontracts being defined as contracts entered into by the principal contractor which involve labor at the site.

3. *Definition of "cost of the work."*—The items of cost included under the term "cost of the work" on which the percentages named in the contract shall be applied, are hereby defined, as follows:

(a) All labor and material applied to both temporary and permanent construction, exclusive of plant. Plant is hereby defined as large equipment or devices ordinarily moved from place to place and usually available on the completion of the work for use at other points. Examples of items included under the term "plant" are: Derricks, engines, boilers, air compressors, locks, concrete mixers, pumps, hoists, power-driven tools, motors, etc. The cost of new plant purchased by the contractor for the work will be paid for on the basis of the purchase price less the appraised value of the plant at the time of completion of the work, such appraisal to be made by the officer in charge. The Government will reserve the right to retain such plant for Government use, in which case the full purchase price will be paid by the Government to the contractor. The contractor's commission or percentage shall not be added to the cost of plant. In case of the utilization of old plant belonging to the contractor at the time of entering into contract, or secured for the work by the contractor on a rental basis, the Government will pay to the contractor a rental price for such plant, the rental charge to be  $2\frac{1}{2}$  per cent per month of the estimated cost of similar new plant.

(b) Loading and unloading of the contractor's plant, both at the contractor's yards and on the site of the work, together with transportation of same to and from the work, provided that the distance from which same is transported to the site of the work shall be subject to the approval of the officer in charge.

(c) Transportation to and from the site of the necessary skilled men for the economical and efficient prosecution of the work. The necessity for such transportation shall be determined by the officer in charge. Such transportation shall not involve repeated travel.

(d) Travelling expenses of any of the officers or engineers of the contractor when such travel is necessary. The necessity for such transportation shall be determined by the officer in charge.

(e) Salaries of resident engineers, superintendents, timekeepers, clerks, and other employees of the contractor's local office at the site of the work. "Overhead" expenses at the contractor's principal office or salaries of engineers or officers employed at the principal office shall be included in the cost of the work, nor shall the salaries of officers or engineers who may visit the work be included in the cost.

(f) All necessary expenses of the contractor's local office at the site of the work, such as telegraph and telephone service, expressage, postage, etc.

(g) Installation and dismantling of the contractor's plant, as well as the cost of the necessary repairs and maintenance of same while employed on the work provided that such repairs and maintenance shall not include ordinary wear and tear.

(h) All hand tools and supplies necessary for the work. Such tools and supplies shall be the property of the Government on the completion of the work or the same may be removed by the contractor and allowance made therefor at an agreed-upon inventory value. In any case the course to be followed shall be subject to the approval of the officer in charge.

(i) The cost of liability insurance to protect both the public and the contractor from damage due to possible injury or loss incidental to the work and

the cost of actual damages in excess of liability insurance; but no percentage shall be paid on such excess cost. Also the cost of fire insurance in case the same is required by the Government.

(j) Engineering and drafting expenses incurred in connection with the preparation of detail drawings, in case such drawings shall be required by the Government. Such cost shall include the cost of prints. The force employed and the changes made for such drawings shall be subject to the approval of the officer in charge.

(k) The cost shall include the cost of any materials bought by the Government for the work, and the cost of any labor performed by the Government on the work, with the following exceptions: The cost of such work performed by the Government, upon which the contractor shall receive a percentage, shall not include work that may be performed in or on the work after the completion and acceptance of the work performed by the contractor; nor shall such cost include the cost of surveys and inspection performed by the Government, nor the cost of electric power, water, heat, light, or similar service furnished by the Government.

(l) Such other necessary expenses connected with the work not specifically excluded in this addendum as may be approved by the officer in charge as representing actual and essential elements in the cost of the work.

4. *Contractor's organization.*—The contractor will furnish without charge other than the commission or fee provided for in the contracts its business and purchasing system, engineering skill and experience, skilled organization, patented rights, and, generally, its inability to organize and equip the work with experienced men.

5. *Monthly vouchers.*—Receipted bills for material purchased for the work, showing that payment therefor has actually been made by the contractor, shall be submitted monthly to the local officer in charge, who will examine the same, and if found correct will certify as to their correctness on their face. Such certified bills for all materials shall accompany monthly vouchers, which shall be forwarded by the officer in charge for payment to the disbursing office designated as the disbursing office for the contract in question. The officer in charge will also certify to the correctness of all pay rolls for labor applied to the job, and a certified copy of pay rolls concerned in each voucher will accompany same. All bills for material and pay rolls will be given a serial number or other identifying designation, and the pay vouchers shall bear on their face a list of the bills of material and pay rolls which accompany the voucher. Similarly all bills of whatever nature for which payment is made will be certified as correct by the officer in charge, and will accompany the pay vouchers. The monthly voucher to be submitted by the officer in charge will also cover the agreed upon commission or fee of the contractor.

Paragraph 29 of the general provisions is modified in that no reservation of 10 per cent of the cost of the work of the fee is to be deducted from the monthly vouchers prepared by the officer in charge. The vouchers shall be submitted for approval by the officer in charge promptly after the first of each month, covering the work done during the preceding month. Final voucher shall be prepared and forwarded for approval immediately after completion and acceptance of the work.

6. *Discrepancies.*—In all cases where the provisions of the "General Provisions Forming Part of the Specifications for Contracts for Public Works, Bureau of Yards and Docks, Navy Department," differ from the specific provisions given in this addendum the specific provisions referred to shall govern.

7. *Facilities.*—The contractor shall afford sufficient facilities to the authorized representatives of the Government for the inspection of all work, materials, and supplies, and of all accounts, records of cost, etc.

8. *Changes.*—In case changes are directed by the Government, as provided in paragraph 17 of the general provisions, and should such changes render unsuitable any material or labor, or both, already furnished or applied to the work by the contractor, the entire expense caused to the contractor thereby shall be determined by the Government and the contractor shall be reimbursed for such actual cost to him, plus the percentage charge thereon.

9. *Purchase of material and employment of labor.*—The officer in charge will approve the purchase of all material for the work previous to the placing of orders there for by the contractor, such approval to refer especially to the contemplated prices for such material. The interests of the Government will be safeguarded by the officer in charge by ascertaining that the contemplated prices for material are reasonable and that the contractor is purchasing to the

best advantage. Similarly, in the employment of all labor under the contract, rates of pay shall be subject to the approval of the officer in charge, and only such pay will be authorized by him as is considered fair and equitable, and established as, or comparable with, prevailing rates of wages paid at the port or station, or in the vicinity where the work is being performed. Rates of pay higher than those established or prevailing in the vicinity at the time of making the contract will not be authorized by the officer in charge except on the approval of the Chief of the Bureau of Yards and Docks. The contractor shall employ on the work no citizen of nations with whom the United States is at war, or of nations allied to or friendly with nations at war with the United States. Furthermore, the officer in charge shall have the right to demand the immediate removal of any individual from the work, and where such demand is made the individual referred to shall be removed from the work and not again employed thereon. This right of removal shall apply to all work done by the contractor whether on the site or elsewhere.

10. *Eight-hour law.*—The contractor shall have the right, under the contract, to employ labor in excess of eight hours per day, in view of the present emergency conditions, such employment in excess of eight hours, however to be paid for at the rate of not less than time and half time.

11. *Discounts.*—The contractor shall take advantage of all the discounts available, and the cost to the Government shall be based upon the actual net cost to the contractor after the deduction of such discounts.

12. *Fire insurance.*—The contractor will protect against fire loss his own interests as distinct from risks on materials purchased and work performed and paid for by the Government. The cost of any fire insurance taken out by the contractor shall be considered as a part of the cost of the work, as provided in paragraph 3 (i), provided such insurance is approved by the officer in charge of the work.

13. *Control.*—The contractor shall have full control, under the direction of the officer in charge, of all labor employed on the work and, subject to the provisions in this addendum, shall have power to employ or discharge such labor as the contractor may deem necessary to the economical and efficient prosecution of the work: *Provided, however,* That the rates of pay of such labor shall be subject to the approval of the officer in charge.

14. *Subcontracts.*—Previous to entry into any subcontract for any portion of the work, the contractor shall secure proposals for the work in question and submit the same to the officer in charge for his approval. Upon approval by the officer in charge, the contractor shall prepare agreements with the subcontractors and superintend the furnishing of all labor and material as may be required by the said agreements.

15. *Cancellation of contract.*—Should the services rendered or work performed by the contractor prove at any time unsatisfactory to the Government, either because of insufficient diligence in the prosecution of the work or on account of excessive cost of the work, or other reason, the Government shall be at liberty, after giving 10 days' written notice to the contractor, to terminate the contract and in that event the Government shall pay to the contractor the cost of the work up to such date not already paid for, plus the commission, as herein provided. Upon such payments being made by the Government to the contractor the contract shall be terminated.

16. *Bond.*—The contractor shall furnish a bond in a penal sum of 5 per cent of the estimated total cost of the work guaranteeing the faithful performance of the contract and the prompt payment to all persons supplying labor and material in the prosecution of the work. If the above bond shall involve any cost, such cost shall be borne by the contractor, and no part of the cost of the bond shall be included as a part of the cost of the work. A personal surety bond will be accepted, provided the same is furnished by two satisfactory individual sureties.

#### BOND.

Know all men by these presents, that we, Turner Construction Co., of No. 244 Madison Avenue, New York City, a corporation organized under the laws of the State of New York, and United States Fidelity & Guaranty Co., a corporation created under the laws of the States of Maryland, as surety are hereby and firmly bound unto the United States of America in the just and full sum of \$250,000, lawful money of the United States, to be paid to the United States for which payment, well and truly to be made, we bind ourselves, our heirs,

executors, administrators, successors, and assigns jointly and severally, firmly by these presents.

Sealed with our seals and dated this 4th day of March, A. D. 1918.

The condition of this obligation is such that if the above-bounden principal, Turner Construction Co., shall well and truly perform and fulfill its contract, dated February 25, 1918, entered into with the United States for construction and completion of a Navy office building and an Army office building, to be located in Potomac Park, west of Seventeenth Street NW. and south of B Street NW., in the District of Columbia, conforming in all respects to the stipulations, covenants, and conditions of said contract as it now exists or may be modified according to its terms, and shall promptly make payments to all persons supplying ——— with labor and materials in the prosecution of the work provided for in the aforesaid contract, then this obligation to be void and of no effect; otherwise, to be and remain in full force and virtue.

[SEAL]

TURNER CONSTRUCTION CO.  
By H. C. TURNER, *President*.  
A. M. CHAPMAN.

[SEAL]

UNITED STATES FIDELITY & GUARANTY CO.,  
By EDWARD R. LEWIS, *Attorney in Fact*.

Attest:

C. D. MARSAC.

Signed, sealed, and delivered in the presence of—

\_\_\_\_\_,  
\_\_\_\_\_,  
CHAS. GAFFNEY,  
PHILIP LAFFER.

275651-18.

The rate of premium on this bond is \$5 per thousand; the total amount of premium charges is \$1,250.

NAVY DEPARTMENT,  
OFFICE OF THE SOLICITOR,  
March 8, 1918.

Approved:

GRAHAM EGERTON, *Solicitor*.

NAVY DEPARTMENT—MEMORANDUM COPY OF CONTRACT NO. 2498, BASED UPON PLANS AND SPECIFICATIONS PREPARED BY THE BUREAU OF YARDS AND DOCKS.

(The original is on file in the office of the Auditor for the Navy Department.)

This contract, of two parts, made and concluded this 16th day of August, A. D. 1917, by and between Henry Steers (Inc.), a corporation of the State of New York having an office and place of business at No. 17 Battery Place, New York City, New York, party of the first part, and the United States, party of the second part, witnesseth:

That the said party of the first part and the said party of the second part do covenant and agree to and with each other as follows:

First. For and in consideration of the payments to be made as hereinafter provided, the party of the first part will construct and complete at Pelham Park, Rodmans Neck, New York, certain temporary structures together with water, sewerage, heating and lighting systems, and such other incidental construction as may be directed by the party of the second part.

Second. The general provisions forming part of specifications for contracts for public works, together with addendum No. 1, dated July 10, 1917, to said general provisions, are appended hereto and form a part of this contract.

Third. The work to be performed under this contract shall be completed on or before October 1, 1917. Damages for delay in the completion of the work shall be at the rate of \$5 per calendar day.

Fourth. For and in consideration of the faithful performance of this contract the party of the first part shall be paid, in the manner provided in the specifications aforesaid, upon vouchers prepared, certified, and approved in the usual manner and payable through such Navy pay office as the party of the second part may elect, as follows:

(a) For that portion of the work performed directly by the party of the first part, involving no subcontracts for labor at the site, there will be paid a sum equal to the cost of the work plus 10 per cent thereof.



(b) For that portion of the work performed indirectly involving subcontracts for labor at the site, there will be paid a sum equal to the cost of such subcontracts plus 5 per cent thereof.

Fifth. Neither this contract nor any interest therein shall be transferred by the party of the first part to any other party or parties.

Sixth. No Member of or Delegate to Congress, nor any person holding any office or appointment under the Navy Department is, or shall be, admitted to any share or part of this contract or to any benefit to arise therefrom: *Provided*, That this provision shall not be construed to extend to this contract if the same is made by an incorporated company for the general benefit of such company.

In the performance of this contract no person shall be employed who is undergoing sentence of imprisonment at hard labor imposed by a court having criminal jurisdiction.

In witness whereof, the said parties hereto have herunto set their hands the day and year first above written.

[SEAL.]

HENRY STEERS (Inc.).

HENRY STEERS, Pres.

Witnesses:

H. R. WHEELER, *Secretary*.

J. H. BERRY.

THE UNITED STATES,

By A. L. PARSONS,

*Acting Chief of the Bureau of Yards and Docks.*

*Acting under direction of the Secretary of Navy.*

As to signature of A. L. Parsons, Acting Chief of the Bureau of Yards and Docks:

C. D. THURBER,

General provisions and addendum No. 1 which form a part of this contract are the same as those printed in full in above contract No. 2853.

#### BOND.

Know all men by these presents, that we, Henry Steers (Inc.), a corporation of the State of New York, and Henry Steers, of New York City, and J. Rich Steers, of New York City, as sureties, are held and firmly bound unto the United States of America in the just and full sum of \$40,000, lawful money of the United States, to be paid to the United States; for which payment, when and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

Sealed with our seals and dated this 16th day of August, A. D. 1917.

The condition of this obligation is such that if the above-bounden principal Henry Steers (Inc.), shall well and truly perform and fulfill their contract, dated August 16, 1917, entered into with the United States for construction of naval training camp at Pelham Park, New York City, conforming in all respects to the stipulations, covenant, and conditions of said contract as it now exists or may be modified according to its terms, and shall promptly make payment to all persons supplying them labor and materials in the prosecution of the work provided for in the aforesaid contract, then this obligation to be void and of no effect; otherwise to be and remain in full force and virtue.

It is hereby stipulated that suit on this bond may be brought in the circuit court of the United States for the district in which the said contract is to be executed and performed, and that if at the time of the suit any of the obligors is not found therein, service of process as to such obligor may be made by delivering a copy of the same to the clerk of said court, who is hereby appointed agent of the obligors for this purpose.

[SEAL.]

HENRY STEERS, (Inc.).

HENRY STEERS, President

HENRY STEERS.

J. RICH STEERS.

Signed, sealed, and delivered in the presence of —

H. R. WHEELER, *Secretary*.

J. H. BERRY, *Assistant Secretary*.

H. R. WHEELER.

H. R. WHEELER.

## JUSTIFICATION OF SURETIES.

STATE OF NEW YORK,  
County of New York, ss:

I, Henry Steers, one of the sureties named in the within bond, do swear that I am peculiarly worth the sum of \$4,000 over and above all my just debts, legal liabilities, and lawful exemptions, and that I am not liable as surety on any other bonds or bonds.

HENRY STEERS, *Surety.*

Subscribed and sworn to before me this 17th day of August, 1917.

[SEAL.]

J. H. BERRY,  
*Notary Public, Westchester County.*

Commission expires March 30, 1918.

STATE OF NEW YORK,  
County of New York, ss:

I, J. Rich Steers, one of the sureties named in the within bond, do swear that I am peculiarly worth the sum of \$40,000, over and above all my just debts, legal liabilities, and lawful exemptions; and that I am not liable as surety on any other bond or bonds.

J. RICH STEERS, *Surety.*

Subscribed and sworn to before me this 17th day of August, 1917.

[SEAL.]

J. H. BERRY,  
*Notary Public, Westchester County.*

Commission expires March 30, 1918.

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CERTIFICATE.

I, Edward Barnes, assistant solicitor, office collector of customs, New York, do hereby certify that Henry Steers and J. Rich Steers, the sureties who have signed the foregoing bond, are personally known to me as residents of the State of New York and citizens of the United States, and are amply sufficient security for the amount thereof, and that the bond is good.

[SEAL.]

EDWARD BARNES,  
*Assistant Solicitor.*

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NAVY DEPARTMENT,  
OFFICE OF THE SOLICITOR,  
August 21, 1917.

Approved.

GRAHAM EGERTON, *Solicitor.*

TESTIMONY OF F. A. PITTMAN, ATLANTA, GA.

(The witness was sworn by the chairman.)

Mr. McKENZIE. Where is your home, Mr. Pittman?

Mr. PITTMAN. Atlanta, Ga.

Mr. McKENZIE. What is your business?

Mr. PITTMAN. General contracting.

Mr. McCULLOCH. This committee is taking testimony here, and we are investigating the methods of construction, expenditure of money, and other things, in regard to the camps and cantonments; also the matter of letting contracts, and all matters pertaining to the camps and the construction work.

Now, we have asked you to come before the committee and make a statement relating to your experience as a contractor in connection with construction work for the Government, and you may go ahead and tell your own story in your own words. Just tell of your efforts in trying to get contracts, and so on.

Mr. PITTMAN. Well, we never succeeded in getting any work with the Government. We finally succeeded in getting a subcontract at Camp Benning, but never was allowed to proceed with the work. But we never had a contract with the Government for any cantonment work, and the subcontract that we had we never started work on.

Mr. McCULLOCH. Just state your experience in connection with work at Atlanta, at Camp Gordon, and your efforts to get a contract, and what you finally did get.

Mr. PITTMAN. Well, I had no experience at Camp Gordon. When Camp Gordon came up, we had what was known as an exchange. that heard about the work, and they decided that it would be the proper thing to have the contractors of this exchange attempt to get the contracts. It was to be a rush job, and no man was organized well enough to handle it. I was out of the city at the time, on some work, and when I got back a few days afterwards, I was notified of it, and at that time the committee had come to Washington to see about getting this contract. I was informed that we were to join in and do the work if we could get it.

Mr. McCULLOCH. That is, all the contractors belonged to the exchange that cared to?

Mr. PITTMAN. They were to go into it jointly, according to the amount of money they could put up. I wired Mr. Talbot that we would put up as much money as anyone. I had no reply. I came on to Washington, and I found that they thought they had it pretty well organized, and they told me that they had it well organized, all the capital and all the organization, and so I returned home.

The contract was let several weeks later to Arthur Tufts. He associated with him several contractors, namely, R. N. Walker & Co., the Southern Ferro Concrete Co., the Hartell Adair & Center Co., and the W. Griffith Co., and possibly others, who did the work.

Mr. McCULLOCH. Now, Mr. Pittman, you spoke a moment ago about an arrangement, and that you then returned home.

Mr. PITTMAN. Well, Mr. Tufts, Mr. Walker, and Mr. Larabee, who represented the Southern Ferro Concrete Co. were in Washington, and when I saw it was useless for me to stay there, I returned home.

Mr. McCULLOCH. Did you have any conversation with Mr. Starrett, at that time, the chairman of the emergency construction committee?

Mr. PITTMAN. It was later that I had a conversation with Mr. Starrett. I had a letter to Mr. Starrett from our Senators, the Hon. Hoke Smith, and our Representative, Mr. Howard, at that time, wherein they introduced our firm, stating that we were able to carry out any contracts that the Government might want to give us; but we never made any headway in the two years that I tried to secure contracts.

Mr. McCULLOCH. The contract was finally let to Mr. Tufts, and I understand it.

Mr. PITTMAN. Yes; the first contract was let to Mr. Tufts. There were several after that. One to the Mackle Construction Co.

Mr. McCULLOCH. Whom did Mr. Tufts have associated with on that contract, representing other companies?

Mr. PITTMAN. R. N. Walker & Co., Southern Ferro Concrete Co., the Hartell, Adair & Center Co., and the W. W. Griffith Co. Possibly there were others, but I do not remember them.

Mr. McCULLOCH. Now, there was a second contract let, I believe, on this work, was there not?

Mr. PITTMAN. Second and third, three contracts.

Mr. McCULLOCH. Do you know to whom those contracts were let?

Mr. PITTMAN. I think the Southern Ferro Concrete Co. got a contract later on for something like \$800,000, or \$1,000,000, and the Mackle Construction Co. got a contract later on, after they had worked at Camp Jessup a little while.

Mr. McCULLOCH. Those were all men who were interested in the original contract.

Mr. PITTMAN. Except Mackle. The Southern Ferro Concrete Co. took on the contract later after Tufts finished.

Mr. McCULLOCH. You have had considerable experience in the construction of roads; is that true?

Mr. PITTMAN. I have had about four years' experience in the construction of roads, but I have been a general contractor for 35 years.

Mr. McCULLOCH. What success did you have in attempting to get a contract for the construction of roads at Camp Gordon?

Mr. PITTMAN. I never succeeded in getting any contracts at Camp Gordon.

Mr. McCULLOCH. Did you bid on any contracts?

Mr. PITTMAN. I did bid on the road work at Camp Gordon. I was led to believe, at first, if the contract was let, that I would be given some road work there; that there would be plenty of work for all, and I was willing to take practically a subcontract. They practically had all of us idle. I had the equipment and the organization too, and had either to get work or let my men go and sell my equipment, and I was led to believe that I would get some of the work at Camp Gordon, but at the time that the first road contract was let I did not care for it. I had secured county work. Several hundred thousand dollars worth, that would and did then require all of my organization at that time, and I did not consequently care to bid, and in fact I did not know that it was coming up until the day before it was let. when the contractor who secured the contract called me over the phone and asked me if I would bid on it, and I told him that I did not care to, that I had plenty of work, and he asked me if I would not bid on it as a favor to him, and I told him that if I did he would have to guarantee that I would not secure the work. So he came down to the office the next morning at 10 o'clock, and he was accompanied by a Government official, and I wrote out a complementary bid to do the work at cost plus 10 per cent, with the understanding that I was not to receive any work, of course.

Mr. McCULLOCH. What was the name of this gentleman with whom you conversed over the telephone?

Mr. PITTMAN. Mr. Smith, Shelby Smith, of the Smith Construction Co.

Mr. McCULLOCH. Did he get the contract?

Mr. PITTMAN. Yes, sir; he got it. He came in at 12 o'clock.

Mr. McCULLOCH. And that was all the conversation that was had on that contract?

Mr. PITTMAN. So far as I know. The Government officials said that they could not let the contract without having more than one bid. They did the same thing, but they told me to state that I could only do so much of the work per day, and they could do more work. and, consequently, the contract would be let to them.

Mr. McCULLOCH. And the Smith Construction Co. got the contract at cost, plus 10 per cent?

Mr. PITTMAN. I never saw that particular contract. It was let to him the next day. Smith advertised for men and equipment in the next morning's paper, and started to work.

Mr. McCULLOCH. Well, your bids were identically the same.

Mr. PITTMAN. Yes, sir; 10 per cent on cost plus.

Mr. DOREMUS. What contract was that?

Mr. PITTMAN. It was a subcontract for building roads inside of the camps, and outside the camps, from Camp Gordon toward Atlanta, to the Fulton County line.

Mr. MCKENZIE. Later on did you come to Washington and make an effort to get some work, road work?

Mr. PITTMAN. Yes, sir; I did; I came here a half a dozen times.

Mr. MCKENZIE. After that?

Mr. PITTMAN. After that; yes, sir.

Mr. MCKENZIE. With whom did you talk at that time?

Mr. PITTMAN. Well, with reference to road work, I talked to Col. Chamberlain and Maj. Laist.

Mr. MCKENZIE. Where were those gentlemen?

Mr. PITTMAN. They were in the Construction Division of Quartermaster Department. I have forgotten the street number.

Mr. MCKENZIE. Well, did you see Gen. Marshall at that time?

Mr. PITTMAN. No, sir; I saw Gen. Marshall the first time I went to Washington, before he was General, but I never saw Gen. Marshall afterwards, although I went to his office once or twice.

Mr. MCKENZIE. Well, did you have any success on any of your trips?

Mr. PITTMAN. No, sir; I never got any contract except the contract for 50 per cent of the work at Camp Benning, while that got the other 50 per cent did it all.

Mr. MCKENZIE. How did that happen?

Mr. PITTMAN. We never were allowed to go to work. I know, except in this manner: In this first contract the Smith Construction Co. secured they used up the appropriation; they got half done with the work, and Col. Chamberlain said that we had received favorable consideration on the part of the Government that we would receive favorable consideration on the part of the Government. They undertook to let a contract for a road to the rifle range at the time they changed constructing quartermasters at Camp Benning and I was told to see him. I saw the new man at Camp Benning, he greeted our company, and so far as I learned from him that he had decided to give us the work, and asked me to be at Camp Benning on the 3 o'clock train, and that he would send me to the department to Col. Chamberlain. He sent me back in his car, and I had to hurry to catch the train. He

show up, and when I got to Washington Col. Chamberlain told me that he had given this other contract to this other man, although he told me they would not receive any more work.

Mr. McKENZIE. Did you have any conversation with Gen. Marshall about the contract, in which he stated to you that Senator Smith had his man go down to see about the job?

Mr. PITTMAN. That was, Col. Chamberlain told me that Smith insisted that he give the work to the Smith Construction Co., regardless of the fact that they had fallen down on the Smith Construction Co. job.

Mr. McKENZIE. Did you have any conversation with Senator Smith?

Mr. PITTMAN. Yes, sir.

Mr. McKENZIE. Tell us about it.

Mr. PITTMAN. I went to Senator Smith and asked if it were true that he had insisted on the Smith Construction Co. getting this other contract, despite the fact that all other contractors were organized and prepared to do the work, and Senator Smith said he did not; he denied it. I asked him to write a letter to Gen. Marshall to that effect, and he said he would. The next day I went to Gen. Marshall's office, and he had not received the letter, and I went back and asked Senator Smith for the letter, to take it personally. He wrote a letter in which he stated that we were a very well-established company, and the fact that he thought we were able to do any work that they should see fit to give us. I carried the letter down. Col. Chamberlain told me that, nevertheless, his private secretary, Mr. Bahn, and Mr. Smith of the construction company, were down there, and that notwithstanding the fact that Senator Smith denied it, they had to accede to his request in not giving this second contract.

Mr. McKENZIE. Then, Smith and you had been friendly, and he knew of your ability to do this work?

Mr. PITTMAN. Yes, sir; for the last 25 years.

Mr. McKENZIE. Did he make any statement about your ability and character as a contractor?

Mr. PITTMAN. He did in the letter; yes, sir.

Mr. McKENZIE. Well, now, you say that afterwards you went to Camp Bennings. Tell us your experience when you got down there; who happened to be the constructing quartermaster at that place at that time?

Mr. PITTMAN. Following this, Col. Chamberlain seemed to think I had not gotten the right sort of a deal, and he told me, he told me there would be work later and we probably could secure some of it. When Camp Bennings work started, we put in our bids, but the contract went to the Sheldon Brecht Co., of St. Louis, a general contractor. I went to see about some subcontracts, and I was referred to Maj. John Paul Jones, contract quartermaster, at Columbus, Ohio. I went to Columbus to interview Maj. John Paul Jones, and he told me that the contract was let to Sheldon Brecht & Co., and that the road work was let. He told me that I could see them if I wanted to list our equipment. I found Mr. Brecht in his office and he told me that the road work had been let. I did not ask him to, and he told me I could list my equipment with him, that he might need that.

I returned to Washington again in order to pursue the matter further, and when I got there I received a letter from Col. Chamberlain

that he would be in Atlanta on a certain date, which was Friday, and would be in Columbus on the following Monday to meet me at the hotel in Columbus. I met him and he told me that the work had not been let; that they had not approved any contracts, and he asked me to whom the work was supposed to have been let. I said I did not know. I told him that I had not inquired. He asked to meet me in Columbus the following morning, which I did, but I did not see him until about 4 o'clock. He was then in the lobby, and he sent the superintendent of the Sheldon Brecht Co. down to see me, and asked me if I would be satisfied with 50 per cent of the work at Camp Bennings. And I told him I would be. He said all right, that he would arrange it with the Southern Clay Manufacturing Co. who had the other 50 per cent. I told him that that was all right, and so I returned to Atlanta, and then I received a letter from Washington stating that we had been selected as one of the contractors for 50 per cent of the work.

I went to Columbus to see Maj. Jones, but he was not ready for us to go to work, although the other contractor was working. I showed him this letter from Gen. Marshall's office, showing that I had been selected, and he told me that did not mean anything; that when he got ready for us to go to work he would let us know. About two months after that I had a telegram to come to Washington to sign a contract for the work. When I got here I met Sheldon—that is, I met the Sheldon-Brecht superintendent, Maj. Jones, and Col. Chamberlain—and signed an official contract for the work, which we still have, but we never did any work. I wrote several letters to him asking when we could start work, and the replies were that they would give us notice when they needed us.

Mr. McKENZIE. Did the other people go on with the work—that is, the Southern Products Co.?

Mr. PITTMAN. Yes, sir; they started immediately. That work consisted largely of clearing roads and getting them ready for the paving which they would have on those roads.

Mr. McKENZIE. When was this, Mr. Pittman?

Mr. PITTMAN. In the fall of 1918.

Mr. McKENZIE. So that was your experience in getting a Government contract?

Mr. PITTMAN. That is all we got.

Mr. McKENZIE. Being an experienced contractor, can you tell us the difference in price between No. 2 and No. 3 lumber?

Mr. PITTMAN. Yes; I think I can.

Mr. McKENZIE. Will you please do so. We would like to know the difference between No. 1 and No. 2; then the difference between No. 2 and No. 3.

Mr. PITTMAN. The price varies. No. 1 rough material is worth about from \$8 to \$10 a thousand more than No. 2; No. 2 is worth from \$6 to \$8 a thousand more than No. 3. In finished material, such as boards, flooring, and ceiling, this is much greater. For instance, at the present time, for the better grade of flooring, it is \$120 a thousand for No. 1, \$80 a thousand for No. 2, and No. 3 would be about \$60 a thousand.

Mr. McKENZIE. That is all.

Do you have any questions that you wish to ask, Mr. Doremus?



Mr. DOREMUS. I have no questions, unless he is in a position to inform the committee as to whether his failure to get a contract at Camp Benning was due to the discontinuance of the work.

As a member of the Committee on Military Affairs, you may know something about that. You remember there was a long controversy in Congress over the question of whether they would go on with Camp Benning, and I was wondering if that was about the time when Mr. Pittman got this contract.

Mr. McKENZIE. This was prior to the signing of the armistice when he was down there, and of course, the activities were going on at Camp Benning up to the time of the armistice, and even later, but that kind of fell off after the armistice, and then in the winter following; I think it was when Assistant Secretary Crowell went before our Committee and the Senate Committee, and asked for authority to go on with the work, but that was a very long session.

Mr. DOREMUS. When did you execute your contract for road work at Benning?

Mr. PITTMAN. I think it was in October of 1918. I have the contract still.

Mr. DOREMUS. And, as I understand, you have never been called upon to carry out that contract?

Mr. PITTMAN. We never were called upon to carry out any part of the contract, although we repeatedly tried to get started down there.

Mr. DOREMUS. Do you know the reason why you were not called upon to carry out that work—do you know what reasons were alleged?

Mr. PITTMAN. None were alleged. I know the reasons why we never secured any contracts with the Government, so far as it is possible to tell. We are the only contractors that refused to sign up with organized labor, and it was impossible to secure a contract with the Government unless you did so. That is a fact. We never did sign up, although that did not enter into road construction. We did not have to sign a contract with organized labor to do road work.

Mr. DOREMUS. Are you acquainted with the Hardaway Construction concern?

Mr. PITTMAN. By reputation; yes, sir.

Mr. DOREMUS. Do you know what their relations were with organized labor?

Mr. PITTMAN. I do not know of any contractor that had Government work that did not enter into a contract with organized labor, but I could not say about the Hardaway Co.

Mr. DOREMUS. The Hardaway Co. did do a lot of work during the war?

Mr. PITTMAN. They had several million dollars worth; yes, sir.

Mr. DOREMUS. As you figure, they paid or agreed to pay the union scale?

Mr. PITTMAN. I do not know; the price was way above the scale; the scale did not have but very little to do with it, and the price is now way above the scale.

(The witness withdrew.)

**TESTIMONY OF ERSKINE MASON SUNDERLAND, ASSISTANT TO THE PRESIDENT OF THE UNITED STATES HOUSING CORPORATION.**

(The witness was sworn by the chairman.)

Mr. McKENZIE. Please state your name and occupation to the reporter.

Mr. SUNDERLAND. Erskine Mason Sunderland, assistant to the president of the United States Housing Corporation, Washington, D. C.

Mr. McCULLOCH. How long have you been in that employment?

Mr. SUNDERLAND. I have been 4 months in that office, and 17 or 18 months in the Housing Corporation.

Mr. McCULLOCH. When did you first go to the Housing Corporation?

Mr. SUNDERLAND. In July, 1918.

Mr. McCULLOCH. What had you been doing before you went with the Housing Corporation?

Mr. SUNDERLAND. I had been a constructing engineer, and fixed engineering values, and practicing for myself. I was loafing before I went on this particular job. I was taking a little recreation, because I had been ill for quite a long time.

Mr. McCULLOCH. Are you familiar with the contracts that have been let by the Housing Corporation for construction work?

Mr. SUNDERLAND. Yes, sir; absolutely.

Mr. McCULLOCH. What is the form of the contract?

Mr. SUNDERLAND. I can give you in a very few words a brief sketch of our method of letting contracts.

I have been before the Senate committee for four months, and I can talk to you with more freedom when I am standing.

Our method of letting contracts consisted first of in the office fixing what we called the fee. Take, for example, a \$2,000,000 job, the fee was fixed at \$60,000. That fee would not always be \$60,000 on \$2,000,000, because the working conditions might be such that the fee of \$60,000 would not be proportionate with the amount of energy and ability that would have to be expended in carrying out a \$2,000,000 contract, but the contractors, after we had made up our minds to build a project, would make an application for the plans and specifications, and he would be sent a questionnaire, and in that would be set up our rules for letting a contract, which stipulated that the contract was estimated to cost \$2,000,000, and that the contractor's fee would be \$60,000 maximum, but he could bid as much less as he wished on that fee.

Furthermore, the contractor was required, in his questionnaire, to show his ability, financial ability, and general ability to carry out a contract of that magnitude, and his equipment, and his location, with reference to where the work was to be constructed. Those questionnaires came in, and often came in before the plans and specifications were ready. We sent investigators to investigate, and we have been accused of not sending plans and specifications to every applicant, but we did do it.

However, the plans and specifications would go out to some 5 to 15 competitors, and then they would come in with their bids, and at that point is where they would give their estimates for this construction.

say, for instance, the fee would be \$58,000 or \$56,000, and so on. They would say that they would furnish the plant, equipment consisting of so much and so much, and an additional sum to carry out extra construction. The lump-sum fee was for the particularly specified work with provisions for so much for this and so much for that.

They would also specify the number of men they would use on the job, at so much a day.

I will say that those calculations of wages did not show and could not show the conditions which changed so rapidly, and I know that it was something which we could not measure, and it was due particularly to labor conditions, and when I speak of labor, I mean skilled labor and common labor. I do not think that labor was very efficient, from the top down, and I think it varied from 30 per cent. efficiency up to about 80 per cent efficiency. I do not think we got full efficiency out of our top labor.

When those lists came in they were tabulated on a form which I had, with a scale of weights, and the man who bid the least for his fee, he could not get over \$60,000—

Mr. McCULLOCH (interposing). You had competition on the fee, and other competition was on the equipment?

Mr. SUNDERLAND. Yes; on plant equipment.

Mr. McCULLOCH. What else?

Mr. SUNDERLAND. Organization counted also with us. I would be very glad to leave with you a form on which these men were questioned. It was not released until after we started investigating, showing how we gave weight to that, and from that we awarded the contract.

I do not mean that the contractor's fee was not increased. It was increased if we had other work. Also, he bid on 2 per cent over \$2,000,000, and you could not get away from that other percentage. It is a multiple.

Mr. McCULLOCH. How long had this method of awarding contracts been in operation before you came to the department?

Mr. SUNDERLAND. Well, grew up with the department, sir.

Mr. McCULLOCH. I understood you to say that you had been with them 18 months?

Mr. SUNDERLAND. I did. I had charge of that line of work.

Mr. McCULLOCH. When did you first go on that work?

Mr. SUNDERLAND. In July, 1918.

Mr. McCULLOCH. That is, when this department started?

Mr. SUNDERLAND. That is when we started contracts. I think the Plaza job was about the fifth contract.

Mr. McCULLOCH. Did you have safeguards in your contracts?

Mr. SUNDERLAND. The first contracts we had, we got both as we went along. It did not have a bonus and penalty clause. Our following contract did have a penalty and bonus to this extent, if finished within a shorter time, or finished for less money, the contractor drew a proportionate bonus up to half the amount of his fee. The fee was \$60,000 and he could not have been penalized more than \$30,000, nor could he have received a bonus of more than \$30,000.

Mr. McCULLOCH. He could have been penalized down to \$30,000?

Mr. SUNDERLAND. Yes, sir.

Mr. McCULLOCH. He could either have been penalized half of his fee, or received a bonus of an extra half of his fee?

Mr. SUNDERLAND. Yes.

Mr. McCULLOCH. There would have been an incentive to save, and a penalty if he went over a certain amount?

Mr. SUNDERLAND. You could not wipe out his whole fee, and he could not earn over half his fee as a bonus. But under none of our contracts did we have any cost-plus work, except with the telephone company, which was regulated by the War Industries Board. They were allowed 15 per cent as their overhead charges.

Mr. McCULLOCH. Have you got the last form of contract there?

Mr. SUNDERLAND. Yes, sir.

Mr. McCULLOCH. Did you have any difficulty in getting men to bid on your work?

Mr. SUNDERLAND. Yes; we had difficulty in getting men to bid on our work for this reason: Some of the men were overloaded; some of them were inclined to bid, and when they found we had investigators out they backed out.

Mr. McCULLOCH. Did you get men to do this work?

Mr. SUNDERLAND. Yes.

Mr. McCULLOCH. Responsible men?

Mr. SUNDERLAND. Yes, sir; we thought so.

Mr. McCULLOCH. And you could get them to do this work with bonus for saving, and forfeiture clause in the contract?

Mr. SUNDERLAND. Yes, sir.

Mr. McCULLOCH. You had no trouble at all?

Mr. SUNDERLAND. A little bit; we had to explain some before we got them to sign up.

Mr. McCULLOCH. Have you examined these blue prints, for simple buildings, for camps for the National Army?

Mr. SUNDERLAND. I have looked over those.

Mr. McCULLOCH. What would you say as to the nature of the construction of the buildings planned in those blue prints in comparison with the blue prints which were used in the construction of houses for the Housing Corporation?

Mr. SUNDERLAND. I think I can answer that question in this way. That we used some of these plans. We used some of these plans to build temporary houses for the laborers. We have had to prepare temporary houses for the labor.

Mr. McCULLOCH. You used these plans for your temporary houses.

Mr. SUNDERLAND. We called them labor barracks.

Mr. McCULLOCH. What is the comparison between the construction of the buildings by the Housing Corporation, and these buildings—are they as simple or more complicated?

Mr. SUNDERLAND. Well, there is no comparison. Our buildings were of an entirely different type altogether.

Mr. McCULLOCH. Were your buildings more complicated—more permanent looking structures?

Mr. SUNDERLAND. Yes, sir; a good deal more. We built a good deal of masonry.

Mr. McCULLOCH. What kind of work would be required upon the permanent buildings as compared with these buildings [indicating drawing].

Mr. SUNDERLAND. These buildings could be used by a class of mechanics that our men would not stand for at all.

Mr. McCULLOCH. You had to deal with a higher grade of mechanics?

Mr. SUNDERLAND. Yes, sir.

Mr. DOREMUS. When was the Housing Corporation set up?

Mr. SUNDERLAND. Do you mean the date of its enactment?

Mr. DOREMUS. Yes; if you know the date.

Mr. SUNDERLAND. I can not answer that question offhand.

Mr. DOREMUS. When was the organization started?

Mr. SUNDERLAND. In the early part of 1918.

Mr. DOREMUS. In the early part of 1918?

Mr. SUNDERLAND. Yes, sir.

Mr. DOREMUS. Well, how many projects had you completed at the time the armistice was signed?

Mr. SUNDERLAND. I can not answer that question offhand. There were very few.

Mr. DOREMUS. Well, were there any?

Mr. SUNDERLAND. I do not think a building ever is completed.

Mr. DOREMUS. Well, what is your answer? Have you completed any projects?

Mr. SUNDERLAND. We have buildings occupied, sir.

Mr. DOREMUS. Had you completed any buildings when the armistice was signed?

Mr. SUNDERLAND. We had completed projects as originally contemplated at the time of the signing of the armistice.

Mr. DOREMUS. How many of them?

Mr. SUNDERLAND. Very few of them; I will say that.

With your permission, Mr. Chairman, I would like to read an extract from the lump-sum contract for general construction work, United States Housing Corporation, project No. 8-B, 112, on page 3, article 2, which is as follows:

ART. 2. Unit and market prices. The contractor further agrees in all cases of additions and deduction, omissions, or substitutions to charge or credit the amount of same at market rates and to furnish a schedule of unit prices for the purpose of checking up requests for payment on account. These prices shall be based upon established Government prices for materials and prevailing rates for labor in the community in which this contract is being executed.

I also desire to give you extract from contract for general construction work project "H-B-77-B—fixed fee." Under "Article 1, title to work—subcontracts—changes in specifications":

It is understood and agreed that the drawings and specifications are not complete and that completed drawings and specifications will be made by the architect engineer or town planner from time to time during the progress of the work herein \* \* \*.

Under Article III, material, labor, and subcontracts:

\* \* \* All listing of materials, and planning of the operation of the work shall be done by the contractor prior to the organization of the field forces, and shall be submitted to the owner for approval. The expenses in connection with this and other initial work, however, shall be paid by the contractor, and for such expenses the contractor shall not be entitled to any reimbursements.

Under Article V, contractor's fee, there is the following paragraph:

In the event that the contractor, by reason of skill in executive management and organizing ability, shall reduce the total cost of the work below the estimated cost stated under "E," page 2 hereof, then the contractor shall receive

in addition to the sum herein provided a proportion of the savings thus effected equal to one-fourth of the amount of such savings, such additional fee, however, not to exceed in amount one-half of the fee mentioned in "G" above. *Provided, however,* That if the completion of the whole work is delayed beyond the completion date provided in this agreement, then the contractor shall not receive any such additional fee unless it can be clearly established to the satisfaction of the owner that said delay was due to conditions beyond the control of the contractor and not preventable by any action of the contractor; but all claims arising from such delay shall be made at the time such delay occurs.

In the event that the total cost exceeds the estimated cost, there shall be deducted from the contractor's fee one-fourth of the amount of such excess cost, such deduction, however, not to exceed in amount one-half of the contractor's fee stated in "G" above. If, however, the owner is satisfied that the excess cost over said estimate was due to no negligence or mismanagement on the part of the contractor, but to conditions later arising and beyond the power of control or of prevention by the contractor, the owner may remit said deduction or any part thereof.

(Witness excused.)

### TESTIMONY OF ELMER CASSELL, CHIEF ACCOUNTANT, CONSTRUCTION DIVISION, WAR DEPARTMENT.

(The witness was duly sworn by the chairman.)

Mr. McKENZIE. Please give your full name to the reporter.

Mr. CASSELL. Elmer Cassell.

Mr. McCULLOCH. What is your business?

Mr. CASSELL. Chief accountant, construction engineer.

Mr. McCULLOCH. You are a civilian employee?

Mr. CASSELL. Yes, sir.

Mr. McCULLOCH. That is the construction division of the War Department.

Mr. CASSELL. Yes, sir.

Mr. McCULLOCH. How long have you been working for the Government in that capacity?

Mr. CASSELL. In that capacity since a year ago. No; two years ago next month.

Mr. McCULLOCH. And what did you do before that?

Mr. CASSELL. I was at Camp Lewis.

Mr. McCULLOCH. For whom?

Mr. CASSELL. The construction division.

Mr. McCULLOCH. And where else did you work for the Government?

Mr. CASSELL. District accountant for Interior Department, in Alaska.

Mr. McCULLOCH. What are the conditions of the cost accounts for the various camps? Are you able to determine the accurate cost of the camps?

Mr. CASSELL. You mean up to date?

Mr. McCULLOCH. Yes.

Mr. CASSELL. Well, since the armistice, there has been a constant reduction of force and destruction of records. So many of the accounts were furnished to Washington in an uncompleted state, and we must hunt them up, and we are accumulating all those records as fast as possible, and we are working as hard as we can to check them.

Mr. McCULLOCH. Did you have accounting forces at the camps to determine costs?

Mr. CASSELL. What particular cost? Do you mean unit cost, or just construction cost?

Mr. McCULLOCH. Well, of course, I want both. I want to know about both.

Mr. CASSELL. The accounting of costs was not started until about the middle of 1918.

Mr. McCULLOCH. Do you think they should have been started sooner?

Mr. CASSELL. Personally, on some classes of construction work, I do not think so. On emergency work, of course they are not of much value, and on other classes of work they are.

Mr. McCULLOCH. We have asked you to figure transportation costs at the various plants, and particularly at Camp Grant. I am handing you memorandum. I wish you would look at that and verify it. I would like to make it a part of your record. [Hands paper to witness.]

That first memorandum is for Camp Grant.

Mr. CASSELL. It was, too, for Camp Lee.

Mr. McCULLOCH. What is the amount?

Mr. CASSELL. Three hundred and forty-six thousand two hundred and fifty-eight dollars and three cents; that is, paid at Washington, and I think the expenditures at the camp included \$10,000, which was paid at the camp.

Mr. McCULLOCH. Now, that would total how much?

Mr. CASSELL. Three hundred and fifty-six thousand and odd dollars.

Mr. McCULLOCH. Who prepared this [indicating statement]?

Mr. CASSELL. It was prepared under my direction.

Mr. McCULLOCH. Is it accurate?

Mr. CASSELL. Yes, sir.

(The above referred to document is here printed in full in the record, as follows:)

*Freight analysis, Camp Lee, Petersburg, Va., from June 30, 1917, to Dec. 31, 1917.*

Total expenditures..... \$346,258.03  
Correct.

M. J. ROWAN,  
J. F. H.

Approved.

ALLAN GREELEY.

Building material .....	\$187.57	Earthenware .....	\$749.98
Brick .....	1,950.91	Engine parts .....	143.60
Boilers .....	1,355.92	Engines .....	147.40
Barrels .....	50.80	Express .....	11.47
Cement .....	16,590.88	Excavators .....	93.40
Cots .....	4,938.01	Fire plugs .....	650.45
Cinders .....	855.09	Fittings .....	272.71
Cans (ash) .....	189.99	Furnaces .....	3,628.89
Coal .....	69.00	Fire engines .....	64.00
Cylinders .....	59.40	Gravel .....	3,183.18
Columns .....	70.69	Government material .....	108.81
Castings .....	639.60	Heaters .....	5,037.39
Doors and sash .....	6,364.05	Iron .....	458.07



Ice -----	\$21. 30	Radiators -----	\$3, 942. 00
Lumber -----	209, 589. 81	Refrigerators -----	2, 276. 00
Lead -----	127. 80	Roofing -----	683. 75
Mattresses -----	40. 20	Sand -----	4, 805. 75
Metal lathe -----	187. 81	Stone -----	24, 127. 00
Miscellaneous parts -----	90. 00	Screens -----	302. 92
Miscellaneous materials -----	333. 61	Steel -----	341. 08
Machinery -----	232. 29	Tanks -----	2, 163. 19
Nails -----	2, 833. 99	Tar -----	95. 90
Ovens -----	99. 00	Toilet bowls -----	76. 80
Poles -----	5, 074. 71	Transformers -----	73. 50
Paper -----	5, 848. 29	Valves -----	237. 57
Pipe -----	24, 701. 44	Wall board -----	7, 703. 92
Pipe (wood) -----	874. 33	Wire -----	121. 06
Plumbers' outfits -----	63. 60	1 beams -----	61. 25
Pipe covers -----	80. 40		
Ranges -----	1, 344. 90	Total -----	346, 258. 02

*Summary of voucher analysis, Camp Lee, Petersburg, Va., July 1, 1917, to Dec. 31, 1917.*

Automobiles and trucks -----	\$57, 581. 35
Building materials and supplies -----	2, 031, 459. 48
Fire protection -----	43, 131. 42
Fuel and lighting -----	107, 707. 48
Miscellaneous charges -----	370, 301. 20
Labor overhead -----	\$153, 710. 60
Labor pay roll -----	5, 657, 098. 13
	5, 910, 948. 73
Miscellaneous equipment and supplies -----	432, 727. 30
Power house, water supply, and sewer-line materials -----	1, 110, 971. 21
Railroad equipment and supplies -----	18. 36
Road equipment -----	5, 584. 00
Road materials and supplies -----	14, 276. 46
Transportation of materials and supplies -----	10, 354. 75
Total -----	10, 194, 898. 07
Credits deducted -----	64, 905. 49
Total expenditures as per cash book -----	10, 130, 002. 52

Correct.

Approved August 13, 1919.

M. J. ROHAN

ALLAN GREELEY,  
Supervising Accountant

Mr. CASSELL. I desire to have that submitted in evidence, but also wish the penciled memorandum to be included. We should also include the ten thousand odd dollars which was paid at the camp, which could not be determined in that short time.

Mr. McCULLOCH. How do the freight charges to the Government, as shown by the memorandum which you have just submitted, compare with freight costs of other camps?

Mr. CASSELL. Camp Lee is a little more favorably situated for lumber.

Mr. McCULLOCH. So that the costs for lumber should have been less?

Mr. CASSELL. I should think it would be probably 100 per cent—average about that. Camp Lee would be about 90 per cent.

Mr. McCULLOCH. What is the average freight rate per 1,000 on lumber in this memorandum? [Indicating.]

Mr. CASSELL. It is approximately \$4 a 1,000.

Mr. McCULLOCH. Do you think that would be about the average rate?

Mr. CASSELL. I think that would be very close to it.

Mr. McCULLOCH. Have you got in your department complete costs of any Army camps up to date?

Mr. CASSELL. Not as to the exact expenditures; but as to allotments, yes.

Mr. McCULLOCH. You say you have not the expenditures to date?

Mr. CASSELL. For the same reason I told you before. Because the expenditures, the actual routine of reporting officially the money expended by disbursing officers, does not go through the division. They go directly to the officer in direct command.

Mr. McCULLOCH. Out of the 32 camps how many have you?

Mr. CASSELL. We have about 20.

Mr. McCULLOCH. So that there are about 12 yet to be completed?

Mr. CASSELL. There were a number of those that were made up and finally stacked in the field before the accounting division was established.

Mr. McCULLOCH. The records here do not show that.

Mr. CASSELL. Those we are accumulating in our department, and we are using our spare time to work on them, but we have very little spare time.

Mr. DOREMUS. Mr. Cassell, you have complete money accounts in your division on these different jobs?

Mr. CASSELL. We have them available, but we have not them in consolidated form.

Mr. DOREMUS. How about the 16 cantonments?

Mr. CASSELL. We have all those; but, as I say, we are accumulating many records, and from those we will make up a consolidated statement for the division.

Mr. DOREMUS. When you have no record of the unit costs on the various jobs, you do not mean that you have no record of material costs?

Mr. CASSELL. No; we have all that.

Mr. DOREMUS. For instance, you know what pipe cost?

Mr. CASSELL. Yes; we know all that.

Mr. DOREMUS. Will you explain to the committee the difference between money accounts and cost accounts?

Mr. CASSELL. The word "costs" is a misnomer in a great many ways. For instance, the Ordnance Department uses cost accounts for the same purposes that we use money accounts. Unit costs which we use are comparative costs, which reduces the cost of a building, being the cost per square foot or per cubic yard. Here it is based on the original costs of material and labor and shows the results per cubic yard, or per square foot, or like that.

Mr. DOREMUS. That is all.

(The witness withdrew.)

#### ADDITIONAL TESTIMONY OF MR. E. J. WESSON.

Mr. McCULLOCH. Captain, in connection with our counsel, you have prepared, as I understand it, certain data—tables and charts, taking some information which you secured from the records of the

War Department—in regard to the construction and accounts of the Army camps, including these charts and other data; is that correct?

Mr. WESSON. Yes, sir.

Mr. McCULLOCH. I wish you would just submit for the record the data and the charts that you have, describing each in connection with your testimony, and making any statement that you see fit to make clear these exhibits and the charts.

Mr. WESSON. Well, before submitting these particular statements I would like to say that they have been taken from the records of the construction division. These records are in a very incomplete state. They are very fragmentary. To illustrate, one record from one portion of the office does not tally with a record from another portion of the office. We have discussed the conditions with numerous officers in the accounting division of the construction division and finally we have selected this particular report, from the first part of the files, which shows the contractors under contract under the construction division. This is a statement of the emergency-construction contracts, in which the fee granted was not reached under the construction accomplished. We have tried, so far as possible, to eliminate from this record contracts awarded by the Ordnance Department, the Housing Corporation, and the various other governmental activities in Washington, but we find in a few cases—we find a number of cases in which these contracts are a matter of record, and I consequently submit these reports, subject to correction, as to those particular items.

The first report which I wish to submit is a statement of the emergency-construction contract awarded, in which the fee granted was not reached under the construction accomplished. There will be a graphic analysis of this particular report submitted later.

(The report, marked "Exhibit E. J. W. No. 9," was received in evidence and is printed in the record, as follows:)

EXHIBIT E. J. W., No. 9.

*Statement of emergency construction contracts in which the fee granted was not reached under the construction accomplished.*

Date of contract.	Contractor.	Project and work.	Fee allowed in contract.	Fee earned.
July 16, 1918	Fuller Co., Geo. A.	Anchor, Ohio, construction	\$250,000.00	\$154,000.00
June 8, 1918	Fuller Construction Co.	do.	158,720.00	18,310.00
July 26, 1918	Bates & Rogers Co.	Toledo, Ohio, erection	250,000.00	174,000.00
July 27, 1918	Chemical Construction Co.	do.	158,720.00	11,414.00
Nov. 1, 1918	Atlantic Ritulithic Co.	Newport News, roads	11,000.00	1,102.00
Sept. 7, 1917	do.	do.	250,000.00	56,000.00
Apr. 10, 1919	Aberthaw Construction Co.	Aberdeen, Md.	55,000.00	20,700.00
July 8, 1918	American Construction Co.	San Antonio, construction	75,000.00	70,100.00
Feb. 18, 1918	Amsterdam Building Co.	Sandy Hook, construction ordnance plant.	45,000.00	42,352.50
May 4, 1918	do.	Sandy Hook, construction buildings.	10,000.00	1,300.00
Dec. 12, 1917	The Austin Co.	Pittsburgh, quartermaster warehouse	37,000.00	37,000.00
May 12, 1917	Aladdin Co.	Fort Snelling Cantonment, construction.	260,000.00	25,222.14
Jan. 21, 1918	The Aberthaw Construction Co.	New Britain, Conn., construction.	20,000.00	11,000.00
July 18, 1917	American Construction Co.	Houston, Tex., construction	250,000.00	100,000.00
Nov. 6, 1918	Archibald, E. C.	Omaha, Nebr., water supply	1,000.00	000.00
Sept. 13, 1918	Arnold Co.	Fairmont, Va., phosphate plant.	30,000.00	1,000.00
Dec. 29, 1917	Atlantic, Gulf & Pacific	Newark, N. J., lighter	250,000.00	45,100.00
Sept. 7, 1918	The Austin Co.	St. Louis, Mo., shell plant	60,000.00	20,172.50
July 24, 1918	American Commissary Co.	Accotink, Va., operation of commissary.	29,200.00	10,500.00

## EXHIBIT E. J. W., No. 9—Continued.

## Statement of emergency construction contracts, etc.—Continued.

Date of contract.	Contractor.	Project and work.	Fee allowed in contract.	Fee earned.
June 29, 1918	Brown & Driesel.....	Mineola, L. I., water supply.....	(1)	\$1,825.05
Sept. 18, 1918	Bateman, J. B., & Co.....	Little Rock, Ark., roads.....	\$20,000.00	6,220.69
June 24, 1918	Barney & Ahlers.....	Long Island, construction gas defenses.	6,000.00	2,796.41
Aug. 20, 1918	Blair, Algernon.....	Montgomery, Ala., construction.....	48,000.00	13,434.56
July 18, 1917	do.....	do.....	250,000.00	109,815.25
Sept. 24, 1917	Bentley, A., & Sons Co.....	Black Point, Fla., construction.....	250,000.00	242,061.18
June 26, 1917	Bickel, Henry Co.....	Louisville, Ky., roads.....	250,000.00	20,000.00
July 17, 1917	Barrett, Co., The.....	Yaphank, L. I., roads.....	350.00	30,743.54
Oct. 10, 1918	Bushley Co., John H.....	Detroit, Mich., electrical.....	15,000.00	13,552.34
Nov. 1, 1917	Bennett & Sons, Henry.....	Fort Riley, Kans., construction.....	3,500.00	1,945.66
June 10, 1918	Bryant & Detwiler Co.....	Detroit, Mich., additions.....	250,000.00	60,230.61
Feb. 19, 1918	Black Masonry Construction Co.	Middletown, Pa., ordnance depot		
Oct. 21, 1918	Bates & Rogers Co.....	Middletown, Pa., water system.....	2,250.00	1,134.92
Apr. 26, 1918	Black Masonry Construction Co.	St. Louis, warehouses.....	125,000.00	82,664.54
Oct. 16, 1918	Avery, Brundage.....	Chicago, construction of barracks.....	6,400.00	2,180.43
Feb. 20, 1918	Baline-Sinek Co.....	Waco, Tex., additions.....	100,000.00	50,774.29
June 10, 1918	Bateman, J. N., & Co.....	Little Rock, roads.....	10,000.00	6,359.98
Aug. 12, 1918	Baker, Smith Co.....	New York City, heating hospital.....	4,000.00	1,968.52
Aug. 1, 1917	Barrett Co.....	Ayer, Mass., roads.....	250,000.00	33,023.84
July 18, 1917	Brown, T. O., & Son.....	Augusta, Ga., construction camp.....	250,000.00	114,559.05
Sept. 16, 1918	Bedford Stone & Construction Co.	Indianapolis, hospital and cantonment.	128,250.00	16,798.38
July 12, 1917	Baker, R. D., Co.....	Battle Creek, roads.....	250,000.00	17,935.27
Sept. 17, 1917	Beaseman, F. B., & Co.....	Admiral, Md., clearing.....	(1)	9,845.04
Dec. 4, 1917	Bryce Building Co.....	Fort Worth, Tex., gas plant.....	20,000.00	4,541.65
Apr. 5, 1918	Claiborne, Johnson Co.....	Camp Eustis, roads.....	19,000.00	8,890.62
Sept. 1, 1918	do.....	Baltimore, Md., railroad tracks.....	5,000.00	3,612.05
Oct. 31, 1918	Callanan.....	Plattsburg, N. Y., addition to hospital.	15,000.00	12,663.33
July 1, 1917	Claiborne, Johnson Co.....	Camp Meade, roads.....	250,000.00	42,272.37
Feb. 27, 1918	Caldwell-Marshall Co.....	Jefferson, Ind., storage depot.....	40,000.00	(3)
Nov. 1, 1917	Construction Co.....	Camp Lewis, additions.....	100,000.00	74,253.56
Feb. 21, 1918	Crawford, Wm.....	Brooklyn, N. Y., barracks.....	20,000.00	18,394.50
Aug. 31, 1917	Constant, Frank T.....	Alexandria, La., roads.....	250,000.00	4,469.57
Dec. 10, 1918	Caldwell-Wingate Co.....	Cape May, N. J., additions.....	3,000.00	2,576.63
Aug. 22, 1918	Crawford, Wm.....	Augusta, Ga., officers' school.....	100,000.00	47,658.90
Feb. 11, 1918	Cranford Paving Co.....	Belvoir, Md., roads.....	53,500.00	30,192.57
Jan. 12, 1918	Cunningham & Sons, F. W.....	Portland, Me., barracks and quarters.	6,000.00	(3)
May 4, 1918	Carson Construction Co.....	Savannah, Ga., barracks.....	10,000.00	7,000.00
May 21, 1918	Collins, R. G., jr.....	Delaware City, barracks and stor-house.	20,000.00	19,533.68
Oct. 15, 1918	Cunningham, F. W., & Sons.....	Portland, Me., repairs.....	5,000.00	1,114.70
May 4, 1918	Chisholm Co., John.....	New Orleans, barracks.....	7,000.00	6,535.55
Oct. 8, 1918	Cleveland Construction Co.....	Croyland, Pa., Edgewood plant.....	95,000.00	17,200.96
Nov. 19, 1918	Coswell-Koether Co.....	Baltimore, alterations.....	3,400.00	1,022.37
June 10, 1918	Crawford, Wm.....	Williamsbridge, N. Y., barracks.....	13,500.00	4,800.65
Oct. 22, 1918	Cleveland Construction Co.....	Willanby, Ohio, barracks.....	14,000.00	13,100.70
Oct. 6, 1917	Clark & Henry Construction Co.	Palo Alto, roads.....	250,000.00	8,803.74
June 13, 1918	Casper-Ranger Construction Co.	Springfield, Mass., storage.....	7,000.00	4,828.93
Aug. 29, 1917	Casé & Cothran.....	Macon, Ga., roads.....	250,000.00	10,876.48
Nov. 3, 1917	Consolidated Engineering Co.	Baltimore, Coast Artillery Corps Post.	250,000.00	7,654.24
Aug. 7, 1917	Cook, D. R., & Co.....	Montgomery, Ala., roads.....	250,000.00	4,853.67
Oct. 28, 1918	Clark, McMullen & Riley.....	Grand Rapids, supervising engineering.	5,000.00	2,500.00
July 29, 1918	Cronin Co., Barths.....	Governors Island, additions to department.	5,000.00	3,959.00
Aug. 28, 1918	Claiborne, Johnson Co.....	Camp Meade, roads.....	10,000.00	8,936.41
Jan. 8, 1918	do.....	Pig Point, Va., roads.....	15,000.00	10,850.03
July 18, 1917	Consolidated Engineering Co.	Charlotte, N. C., constructing camp.	250,000.00	189,711.50
Oct. 11, 1918	Claiborne, Johnson Co.....	Naval base No. 2, roads.....	18,000.00	13,508.83
Nov. 4, 1918	Collins, R. G., jr.....	do.....	14,000.00	7,000.00
Oct. 5, 1918	Carolina Power & Lighting Co.	Fayetteville, transportation line.	3,500.00	1,495.00
July 18, 1917	Chiselm, John O., Co.....	Anniston, Ala., constructing camp.	250,000.00	176,941.92
Apr. 1, 1918	Cleveland Construction Co.....	Port Clinton, Ohio, storage.....	80,000.00	36,955.62
Nov. 15, 1917	Dinwiddie Construction Co.	San Francisco, Coast Artillery Corps barracks.	250,000.00	12,702.43
Oct. 23, 1918	Dawson Construction Co.....	Markleton, Pa., addition to hospital.	6,000.00	4,847.26

17 per cent.

1 Per cent.

Error.

## EXHIBIT E. J. W., No. 9—Continued.

## Statement of emergency construction contracts, etc.—Continued.

Date of contract.	Contractor.	Project and work.	Fee allowed in contract.	Fee earned.
Feb. 25, 1918	Davis, M. M., & Sons	Curtis Bay, lighters	\$18,000.00	\$13,774.80
May 4, 1918	Dinwiddie Construction Co.	Columbia, Oreg., barracks.	17,000.00	13,774.80
Apr. 25, 1918	Dawson Construction Co.	Markleton, Pa., hospital.	3,500.00	1,774.80
July 8, 1918	Donaghey, Geo. W.	Little Rock, warehouse	32,500.00	20,774.80
Mar. 4, 1918	Dietel-Wenzel Construction Co.	Petrolia, Tex., gas plant No. 3.	15,000.00	1,774.80
Nov. 27, 1917	Dinwiddie Construction Co.	Columbia, Oreg., Coast Artillery Corps barracks.	250,000.00	13,774.80
Sept. 15, 1918	Ely Construction Co.	Augusta, Ga., roads	15,000.00	3,774.80
Nov. 1, 1918	Engle & Kevenor	Hoboken, rail facilities	9,000.00	3,774.80
Sept. 6, 1918	Erickson Co., Henry	Rockford, Ill., additions	200,000.00	107,774.80
Feb. 25, 1918	Empire Engineering Co.	Raritan River, N. J., lighters	25,000.00	22,774.80
Feb. 20, 1918	Erickson Co., Henry	Rockford, Ill., additions to hospital.	60,000.00	17,774.80
Oct. 17, 1917	Empire Construction Co.	Des Moines, target range	250,000.00	5,774.80
July 1, 1918	Fiske-Carter Construction Co.	Camp Wadsworth, construction camp.	82,500.00	69,774.80
July 26, 1918	Ferguson Co., John W.	Lawrenceville, N. J., barracks and hospital.	2,500.00	1,974.80
Aug. 8, 1917	Fort Worth Power & Light Co.	Fort Worth, Tex., electrical	250,000.00	2,197.80
Mar. 14, 1918	The Foundation Co.	Edgewood, Md., power plant	110,000.00	97,774.80
Mar. 2, 1918	Fissel, W. H., & Co.	Dumont, N. J., additions to hospital.	175,000.00	164,774.80
Aug. 27, 1918	Ferro Concrete & Construction Co.	Cincinnati, construction	13,000.00	9,774.80
Sept. 7, 1918	Fruin-Colnon Construction Co.	St. Louis, shell plant	60,000.00	20,974.80
Sept. 10, 1918	The Foundation Co.	Tullytown, Pa., housing	44,777.00	31,340.80
Apr. 11, 1918	Feeny & Shehan Building Co.	Schenectady, quartermaster depot.	180,000.00	147,774.80
Feb. 1, 1918	Freund, Isadore	Belvoir, Va., plumbing and heating	250,000.00	11,974.80
July 9, 1917	Finley Method Co.	Camp Travis, roads	(1)	2,974.80
July 17, 1917	Fiske-Carter Construction Co.	Camp Wadsworth, construction	250,000.00	134,774.80
Nov. 1, 1917	do	Camp Wadsworth, additions	80,000.00	71,239.80
Mar. 13, 1918	Gude & Co.	Azalea, N. C., hospital	95,000.00	94,644.80
May 12, 1917	Gest, G. M.	San Francisco, construction cantonment.	250,000.00	15,644.80
Nov. 9, 1918	Gindele, Chas. W., Co.	West Baden, Ind., hospital	7,000.00	6,429.80
Oct. 10, 1918	Gude-Krebs & Co.	Atlanta, hospital and prison barracks.	26,000.00	2,429.80
Sept. 26, 1918	Grant, Smith & Co.	Giant, Colo., T. N. T. plant	80,000.00	15,349.80
Dec. 29, 1917	Gahagan, W. H.	Newark, lighters	250,000.00	47,774.80
Nov. 2, 1918	Gable, Frank N.	Westchester, N. Y., hospital	15,000.00	1,774.80
Feb. 20, 1918	Gray Construction Co.	Fort Riley, additional hospital	60,000.00	21,774.80
Feb. 25, 1918	Gildersleeve Ship Co.	Raritan River, lighters	12,500.00	11,244.80
Sept. 18, 1918	Grant Construction Co.	St. Paul, Minn., school	27,000.00	16,774.80
Jan. 12, 1918	Galavan Building Co.	Charleston, S. C., barracks	15,000.00	11,774.80
July 11, 1918	Gormley, P. F.	Washington, D. C., Camp Leach, water	700.00	2,774.80
May 12, 1917	Smith & Co.	Vancouver Barracks, constructing cantonment.	250,000.00	21,389.80
May 12, 1917	Gaylord Construction & Engineering Co.	Indianapolis, constructing cantonment.	250,000.00	114,389.80
Aug. 3, 1918	Gude-Krebs & Co.	Waynesville, N. C., general hospital.	20,000.00	17,649.80
Sept. 9, 1918	Hampton Roads Construction & Engineering Co.	Fort Monroe, addition to officers' school.	82,500.00	69,774.80
July 17, 1917	Hampton, Wm. E., Co.	Linda Vista, constructing camp.	250,000.00	180,774.80
Nov. 25, 1918	Hampton Roads Construction & Engineering Co.	Hampton, Va., additions to soldiers home.	11,500.00	7,774.80
Oct. 11, 1918	Holladay-Crouse Co.	Raleigh, N. C., constructing cantonment.	110,000.00	34,644.80
July 1, 1918	Horton & Horton Co.	Houston, Tex., additions	50,000.00	64,389.80
Dec. 2, 1917	Hampton, W. E., Co.	Los Angeles, construction	250,000.00	17,774.80
Nov. 1, 1917	Hettinger, E. A.	Palo Alto, additions	35,000.00	21,344.80
Do.	Hudson Construction Co.	Alexandria, La., additions	35,000.00	22,344.80
Jan. 23, 1918	Hart, Chas. F.	Rose Bank, N. Y., hospital	18,000.00	16,044.80
Oct. 1, 1918	Howes Construction Co.	Otisville, N. Y., addition to hospital.	25,000.00	18,139.80
Nov. 2, 1917	Hampton, Wm. E., Co.	San Diego, construction	250,000.00	12,644.80
Jan. 21, 1918	Howes Construction Co.	Otisville, N. Y., hospital	75,000.00	63,774.80
Nov. 8, 1917	Hampton Roads Engineering & Construction Co.	Cape Fear, N. C., Coast Artillery Corps barracks.	250,000.00	20,344.80
June 12, 1918	Hugh Nawn Construction Co.	Scituate, Mass., proving grounds	82,500.00	80,644.80
May 4, 1918	Horton & Horton	Galveston, Tex., barracks	7,000.00	3,134.80
July 26, 1918	Hedden, Chas. R. Co.	Lakehurst, N. J., training camp	60,000.00	50,344.80
Oct. 25, 1918	Horton & Horton	Galveston, Tex., constructing cantonment.	42,500.00	4,644.80

## EXHIBIT E. J. W., No. 9—Continued.

## Statement of emergency construction contracts, etc.—Continued.

Date of contract.	Contractor.	Project and work.	Fee allowed in contract.	Fee earned.
May 28, 1918	Horton & Horton—Cont....	Houston, Tex.		\$9,816.27
May 1, 1918	Hunkem & Conkey Construction Co.	Columbus, Ohio, warehouse.....	\$175,000.00	155,545.35
Nov. 8, 1917	Hampton Roads Engineering & Construction Co.	Fort Monroe, constructing Coast Artillery Corps barracks.	250,000.00	33,705.42
Feb. 20, 1918	Hann, Harry F.	Columbia, S. C., addition to hospital.	179,062.00	123,939.55
June 11, 1917	Hardaway Construction Co.	Columbia, S. C., buildings.....	250,000.00	8,055.80
July 11, 1917	Hudson, R. M., Co.	Columbia, S. C., roads.....	250,000.00	32,261.67
July 12, 1918	Hardaway Construction Co.	Columbia, S. C., artillery camp.	242,000.00	114,023.06
July 5, 1917	Independent Paving Co.	Camp Lewis, roads.....	250,000.00	24,481.60
Feb. 25, 1918	Inland Dredging Co.	Baldwinsville, N. Y., lighter.....	250,000.00	48,586.83
Oct. 25, 1918	Jett-Muths Construction Co.	Mobile, Ala., wharf.....	3,500.00	720.75
Nov. 5, 1917	Jackson, Horace H.	Delaware City, constructing Coast Artillery Corps barracks.	250,000.00	2,131.12
June 5, 1918	Jennings Construction & Engineering Co.	El Paso, Tex., pumping station..	7,000.00	4,725.06
May 22, 1918	Johnston, Morgan L.	Washington, D. C., roads and walks.	29,250.00	21,119.97
Aug. 31, 1917	Jameson & Hollowell.....	Montgomery, Ala., roads.....	250,000.00	1,172.26
July 17, 1917	Jones, Fred A., Construction Co.	Waco, Tex., constructing camp..	250,000.00	125,280.09
Apr. 11, 1918	Jones, J. A.	Charlotte, N. C., addition to hospital.	37,500.00	28,300.10
Sept. 21, 1918	Jobst, Val, & Sons.	Peoria, Ill., tractor plant.....	60,000.00	40,104.76
May 4, 1918	Ker, Norman, Co.	Eastern, N. Y., barracks.....	10,000.00	8,550.16
June 8, 1918	Kearns, W. F., & Co.	Cambridge, Mass., warehouse.....	75,000.00	54,068.25
Mar. 20, 1918	Livingston, J., & Co.	(1) Mineola, L. I., electrical.....		1,375.78
Nov. 23, 1918	Logue, Chas., Building Co.	Boston, Mass., hospital.....	13,750.00	3,633.96
Oct. 15, 1918	Leighten Co., N. H.	Fort Snelling, addition to hospital.	12,000.00	6,695.87
Sept. 14, 1918	Ley & Co., Fred T.	Senter, Mich., tyrol plant.....	16,250.00	8,001.37
Jan. 14, 1918	Lord Electric Co.	Belvoir, Va., electric work.....	250,000.00	4,950.70
Dec. 4, 1918	Lynch-Cannon Engineering Co.	Fort Douglas, addition to hospital.	18,500.00	13,367.22
Sept. 28, 1918	Leonard Construction Co.	Emporium, Pa., acid plant.....	60,000.00	6,603.76
Aug. 31, 1918	do.	Mount Union, Pa., acid plant.....	40,000.00	12,335.52
Jan. 14, 1918	Lord Electric Co.	Accotink, Va., electric work.....	7,403.46	7,403.46
Feb. 20, 1918	Lingren Co.	Palo Alto, hospital.....	50,000.00	8,606.72
Sept. 20, 1918	Lassiter & Co., Robt. J.	Langley Field, Va., roads.....	46,000.00	27,000.00
Apr. 13, 1918	Lambie, C. S., Co.	Denver, Colo., hospital.....	128,250.00	111,234.55
Oct. 14, 1918	Lockwood-Greene Co.	Columbus, Ga.....	5,000.00	4,750.00
Sept. 5, 1918	McGrath, D. W.	Chillicothe, additions.....	100,000.00	68,342.91
Sept. 21, 1918	Morgan, Jos. E.	Whipple Barracks, Ariz., hospital.	82,500.00	77,458.22
Oct. 5, 1918	Merrill Road Improvement Co.	Atlanta, roads.....	4,500.00	3,350.04
Sept. 11, 1918	Marrow, Geo. D.	Lakewood, N. J., hospital.....	8,500.00	6,731.90
Aug. 20, 1917	Merrill Road Improvement Co.	Chickamauga, roads.....	250,000.00	28,475.96
Jan. 19, 1918	Mackie Construction Co.	Atlanta, repair shops.....	80,000.00	56,587.56
Jan. 15, 1919	Murch Bros., Construction Co.	St. Louis, hospital.....	9,000.00	5,882.87
June 28, 1918	Merritt, J. H. & Co.	Governors Island.....		678.59
Feb. 25, 1918	Matton, John F.	Metuchen, N. J., lighter.....	16,000.00	11,748.88
Sept. 14, 1918	Merrill Road Improvement Co.	Fort Oglethorpe, roads.....	10,000.00	9,532.02
Oct. 5, 1918	Meador Construction Co.	Atlanta, roads.....	13,000.00	5,373.41
Nov. 1, 1917	Missouri & Pacific R. R. Co.	Little Rock.....	(1)	8,701.12
Jan. 12, 1918	Mackie Construction Co.	Atlanta, additions.....	75,000.00	62,247.03
Feb. 13, 1918	McNally Construction Co.	New Bedford, Mass., barracks.....	5,000.00	2,003.68
Feb. 20, 1918	McArthur Bros. Co.	Woodbury, N. J., plant.....	160,000.00	158,188.45
Feb. 20, 1918	McCarthy, Richard, jr.	Hattiesburg, Miss., additions.....	50,000.00	39,431.61
Jan. 19, 1918	McKenzie Construction Co.	Augusta, Ga., ordnance warehouse.	25,000.00	17,414.34
June 6, 1918	McGonigle, Jas. A.	Fort Leavenworth, storehouses..	1,400.00	393.89
May 4, 1918	McNally Construction Co.	New Bedford, Mass., barracks.....	6,000.00	1,938.90
Apr. 1, 1918	do.	Narragansett Bay, hospital.....	15,000.00	866.00
Apr. 20, 1918	McKenzie Construction Co.	Del Rio, Tex., cantonment construction.	20,000.00	15,213.75
Sept. 3, 1918	McMullen Co., Arthur.....	Pedricktown, N. J., ordnance depot.	140,000.00	128,250.00
Sept. 14, 1918	Lassiter & Co., R. G.	Greensboro, N. C., roads.....	(1)	3,500.00
Feb. 6, 1918	Hess Construction Corporation.	New York City, brick wall.....	(1)	160.00
Nov. 2, 1918	Owen-Ames-Kimball Co.	Grand Rapids, hospital, etc.....	15,000.00	44.91
Nov. 12, 1917	Perkinson & Finn Co.	Petersburg, Va., roads.....	250,000.00	12,029.86
Oct. 29, 1918	Poeter Bros.	Gilmerton, Va., barracks.....	2,000.00	158.96

1 Percentage.

## EXHIBIT E. J. W., No. 9—Continued.

## Statement of emergency construction contracts, etc.—Continued.

Date of contract.	Contractor.	Project and work.	Fee allowed in contract.	Fee earned.
Nov. 9, 1917	Pashen Bros.	Kenosha, Wis., ordnance school.	2220,000.00	21,220.00
July 16, 1917	Public Service Electric Co.	Wrightstown, N. J., electric line.	220,000.00	1,220.00
Aug. 27, 1917	Purnis, D. H.	Fort Worth, Tex., roads.	220,000.00	10,220.00
Feb. 23, 1918	Park-Grimes Co.	Fort Oglethorpe, alterations.	22,000.00	2,220.00
Jan. 19, 1918	Purdy & Henderson Co.	San Juan, constructing camp.	125,000.00	117,000.00
Feb. 20, 1918	Pashen Bros.	Montgomery, Ala., addition to hospital.	50,000.00	4,220.00
May 4, 1918	Pacific Building Co.	San Diego, barracks.	4,000.00	4,220.00
Aug. 12, 1918	Poole Engineering & Machinery Co.	Clear Spring, Md.	5,000.00	2,220.00
Sept. 10, 1918	Porter Bros.	Norfolk, Va., water supply.	14,500.00	14,500.00
Nov. 1, 1917	Phelps, R. G.	Battle Creek, additions.	15,000.00	14,500.00
Feb. 25, 1918	Public Service Electric Co.	Colonial, N. J., electric line.		
Jan. 14, 1918	do.	Port Newark, N. J., electric line.	250,000.00	1,000.00
July 28, 1917	Porter & Boyd (Inc.)	Camp Wadsworth, roads.		
May 4, 1918	Quist, A. W., Co.	Puget Sound, barracks.	11,000.00	1,000.00
Oct. 2, 1918	Riggs, Distler & Spring	Lee Hall, Va.	50,000.00	1,000.00
July 17, 1917	Selden-Breck Construction Co.	Fort Sill, constructing camp.	250,000.00	124,220.00
Nov. 7, 1917	Sound Constructing & Engineering Co.	Puget Sound, constructing barracks.	250,000.00	1,000.00
Dec. 29, 1917	Steers, Harry (Inc.)	Port Newark, N. J., light plant.	250,000.00	51,000.00
Dec. 18, 1917	Steele & Sons Co., Wm.	Philadelphia, Pa., warehouses.	75,000.00	14,000.00
Jan. 10, 1918	do.	Philadelphia, Pa., quartermaster depot.	250,000.00	10,000.00
June 10, 1918	Shenk Co., Henry	Erie, Pa., housing.	31,000.00	21,000.00
July 1, 1918	Smith, Hauser & McIsaac	Camp Meade, additions to barracks.	120,000.00	120,000.00
May 13, 1918	St. Johns Construction Co.	Miami, Fla., aviation school.	60,000.00	20,000.00
Oct. 31, 1918	Southern Paving Co.	Camp Wadsworth, roads.	1,500.00	1,000.00
July 10, 1918	Sockley, James A., Co.	Fort Ben. Harrison, roads.	7,000.00	4,000.00
June 15, 1918	Struck Co., Alfred	West Point, Ky., construction.	15,000.00	12,000.00
July 1, 1918	do.	Camp Taylor, Ky., additions.	75,000.00	10,000.00
May 2, 1918	Sutherland Building Co.	Jefferson Barracks, wards.	30,000.00	20,000.00
Oct. 15, 1918	do.	Fort Leavenworth, constructing cantonment.	125,000.00	20,000.00
Feb. 25, 1918	Smith & Williams Co.	Pig Point, lighters.	20,000.00	14,000.00
May 7, 1919	Sawyer, F. S.	Camp Benning.	1,750.00	1,000.00
Oct. 16, 1917	Shafer-Williams Co.	Camp Meade, roads.	200,000.00	15,000.00
Nov. 5, 1917	Sperry Engineer Co.	Fort Wright, Coast Artillery Corps barracks.	250,000.00	12,000.00
July 16, 1917	Rinehardt & Dennis	Petersburg, Va., roads.	250,000.00	10,000.00
Nov. 5, 1917	Richardson, W. P., Co.	Tampa, Fla., constructing Coast Artillery Corps barracks.	250,000.00	4,000.00
Mar. 20, 1919	Riggs, Distler & Spring	Washington, D. C., heating and plumbing.	20,250.00	2,000.00
Nov. 1, 1917	Roberts, Co., John	Linda Vista, additions.	65,000.00	20,000.00
Oct. 30, 1918	Rutzler E., Co.	Williamsbridge, N. Y., heating.	7,000.00	0.00
Nov. 15, 1917	Robbins-Ripley Co.	Fort Michie, N. Y., wharf additions.	250,000.00	2,000.00
June 28, 1918	Rangley Construction Co.	Fort Jay, N. Y., water main.	(1)	0.00
Nov. 5, 1917	Richardson, W. P. Co.	Key West, Fla., Coast Artillery Corps barracks.	250,000.00	14,000.00
Feb. 20, 1918	Southern Ferro Construction Co.	Atlanta, additions to hospital.	60,000.00	24,000.00
Sept. 1, 1918	Sydnor Pump & Well Co.	Lee Hall, Va.	1,000.00	0.00
Aug. 9, 1918	Smith Construction Co.	Atlanta.		24,000.00
May 24, 1919	Southern Paving & Constructing Co.	Camp Bragg.		0.00
Sept. 5, 1918	Southern Ferro Construction Co.	Atlanta, additional barracks.	70,000.00	22,000.00
Nov. 1, 1917	Struck Co., Alfred	Camp Taylor, additions.	70,000.00	61,000.00
Oct. 26, 1917	Stewart Co., James	Fort Douglas, prison barracks.		0.00
May 2, 1918	Shattuck-Edinger Co.	Pig Point, Va., ordnance depot.	250,000.00	120,000.00
Aug. 1, 1917	San Diego Gas & Electric Co.	San Francisco, barracks.	10,000.00	0.00
Nov. 7, 1917	Sengstock, Henry C.	Camp Kearny, electric system.	250,000.00	0.00
		Clintonville, Ohio, ordnance barracks.	250,000.00	0.00
May 4, 1918	Simpson Construction Co., Wm.	Los Angeles, construction.	22,000.00	22,000.00
Oct. 30, 1918	Steele & Sons Co., Wm.	Philadelphia, Pa., electric equipment.	1,000.00	1,200.00
June 25, 1918	Southern Paving Co.	Camp Wadsworth, roads.	60,000.00	2,000.00
Oct. 26, 1918	Stone & Webster	Grand Rapids, drawings.	25,120.00	0.00
Feb. 18, 1918	Shafer & Collins	Curtis Bay, roads.	14,000.00	10,000.00
Sept. 10, 1918	Southern Paving Co.	Anniston, Ala., roads.	10,000.00	0.00
May 4, 1918	Simons-Mayrant Co.	Fort Moultrie, S. C., cantonment barracks.	10,000.00	0.00
July 17, 1917	Stewart-McGehee Co.	Camp Beauregard, construction camp.	250,000.00	254,000.00

1 Percentage.



## EXHIBIT E. J. W., No. 9—Continued.

## Statement of emergency construction contracts, etc.—Continued.

Date of contract.	Contractor.	Project and work.	Fee allowed in contract.	Fee earned.
Apr. 24, 1918	Sperry Engineering Co.....	New Haven, Conn., hospital....	\$25,000.00	\$19,908.21
Aug. 22, 1918	Stewart-McGehee Co.....	Camp Pike, additions.....	160,000.00	95,145.63
June 26, 1917	Shelby-Bateman.....	Camp Pike, roads.....	250,000.00	34,768.39
Nov. 2, 1917	Stewart, James, & Co.....	Fort Tilden, Coast Artillery Corps barracks.....	250,000.00	16,273.66
Aug. 22, 1918	.....do.....	Camp Bragg, constructing cantonment.....	250,000.00	242,000.00
Dec. 15, 1917	Southern Paving Co.....	Anniston, Ala., roads.....	15,000.00	14,464.48
Sept. 26, 1918	Summer-Sallit Co.....	Fort Sheridan, hospital.....	128,250.00	99,539.90
May 12, 1917	Stewart, James, & Co.....	Fort Douglas, constructing cantonment.....	250,000.00	24,378.20
Feb. 20, 1918	Snyder, J. W., Co.....	Camp Beauregard, hospital....	110,000.00	98,416.52
Oct. 28, 1918	Selden-Breck Construction Co.....	Camp Benning, constructing cantonment.....	235,500.00	103,854.90
Feb. 5, 1918	Thompson-Starrett Co.....	Fox Hills, N. Y., hospital.....	250,000.00	150,348.34
Nov. 5, 1917	Turner Construction Co.....	Fort Schuyler, Coast Artillery Corps barracks.....	250,000.00	69,410.77
Feb. 20, 1918	Thompson, John W.....	Camp Cody, addition.....	75,000.00	60,000.00
June 16, 1917	Thalman & Reed.....	Camp Pike.....	(1)	1,408.23
Feb. 20, 1918	Twiggs, A. J., & Sons.....	Camp Hancock, addition.....	50,000.00	41,663.82
Aug. 28, 1918	Tufts, Arthur.....	Atlanta, lighting system.....	13,000.00	4,908.38
July 18, 1917	Thompson, John W.....	Camp Bowie, constructing cantonment.....	250,000.00	126,687.64
Nov. 20, 1918	Turner, John J., & Sons.....	Madison Barracks, additions....	8,000.00	4,443.29
July 11, 1918	Turner, John J., & Sons.....	Fort Ontario, hospital.....	22,000.00	15,129.37
Nov. 1, 1917	Troupe & Carney.....	Fort Sill, alterations.....	32,000.00	30,148.40
Aug. 7, 1917	Thorpe & Richards.....	Camp Sheridan, roads.....	250,000.00	110,823.00
June 26, 1918	Union Dye & Chemical Co.....	Kingsport, Tenn., buildings....	20,000.00	17,830.48
July 21, 1917	Utility Construction Co.....	Camp Dix, roads.....	250,000.00	25,439.18
Oct. 16, 1918	Ulen Construction Co.....	Virginia Water Development....	105,000.00	97,439.18
Oct. 11, 1918	Wise Granite & Construction Co.....	Naval Base No. 2, roads.....	16,000.00	14,875.13
Mar. 26, 1918	Winston & Co.....	Camp Eustice, construction.....	221,812.00	218,363.20
May 4, 1918	Whitty, R. F., Co.....	Fort Washington, barracks.....	6,000.00	5,531.72
Dec. 12, 1917	Weitz, Chas., & Sons.....	Fort Des Moines, hospital.....	15,000.00	11,457.03
Aug. 9, 1918	Wilson, John T., & Co.....	Camp Lee, additions.....	175,000.00	126,260.46
July 18, 1917	Williams, W. Z., & Co.....	Camp Wheeler, constructing cantonment.....	250,000.00	121,866.48
Sept. 25, 1918	Walbridge & Aldinger.....	Detroit, constructing barracks...	9,500.00	3,105.92
May 20, 1918	Weller Construction Co.....	Anacosta, D. C., aviation station.	13,000.00	12,875.87
Jan. 9, 1919	Warren-Moore Co.....	Philadelphia General Hospital, addition.....	4,200.00	3,408.10
May 4, 1918	Willcutt, L. D., & Sons.....	Narragansett Bay, barracks.....	36,000.00	29,250.00
June 15, 1918	Warren-Moore & Co.....	Carlisle, Pa., buildings.....	11,000.00	6,997.11
July 20, 1918	Whiting-Turner Construction Co.....	Belvoir, Va., water lines.....	19,500.00	7,000.00
Do.....	Whitney & Co.....	Fort Wood, additions.....	20,000.00	17,848.04
May 14, 1918	Wise Granite & Construction Co.....	Norfolk, Va., barracks.....	17,000.00	14,722.03
Oct. 23, 1918	Wagner, Frank L.....	Camp Meigs, construction.....	7,000.00	1,577.90
Oct. 15, 1917	Westinghouse, Church-Kerr Co.....	Newport News, additions.....	250,000.00	62,219.35
June 24, 1918	Winston & Co.....	Lee Hall, Va., construction....	42,000.00	33,770.83
Apr. 24, 1918	Walsh Construction Co.....	Savanna, Ill., proving grounds....	36,000.00	25,807.73
Sept. 4, 1918	Wimmer Construction Co.....	East Alton, Ill., buildings.....	110,000.00	17,556.35
May 18, 1918	Waldron, Edw. M.....	Elizabeth, N. J., Signal Corps Field.....	7,000.00	6,272.93
June 15, 1918	Warren, Moore & Co.....	Bethlehem, Pa., housing.....	24,000.00	22,787.28
May 29, 1918	Weller Construction Co.....	Washington, D.C., quartermaster building.....	26,000.00	26,518.41
Oct. 22, 1917	Wilson Construction Co.....	Camp Johnston, roads.....	250,000.00	28,621.85
Dec. 6, 1918	Wickham, E. A.....	Fort Omaha, quartermaster warehouse.....	1,350.00	843.76
Oct. 18, 1918	West Construction Co.....	Baltimore, warehouse.....	29,250.00	15,660.07
Aug. 1, 1918	Weitz's Sons, Chas.....	Camp Dodge, enlargement.....	128,250.00	60,902.53
Jan. 7, 1918	Wagner, Frank L.....	Washington, D. C., telephone building.....	12,500.00	8,963.81
May 2, 1918	Walbridge-Aldinger.....	Detroit, Signal Corps field.....	17,000.00	11,327.17
Mar. 12, 1918	Wells Bros. Construction Co.....	Middleton, Pa., warehouse.....	65,000.00	53,954.82
June 10, 1918	Weston & Kroeger.....	Laredo, Tex., construction.....	3,500.00	2,312.06
Sept. 1, 1918	Weller Construction Co.....	Washington, D. C., Potomac Park barracks.....	27,000.00	25,029.26
Apr. 19, 1918	Winston & Co.....	Newport News, reservoir.....	18,000.00	12,014.81
Jan. 21, 1918	Walker Electric & Plumbing Co.....	Camp Jackson, construction.....	15,000.00	3,742.96
Sept. 3, 1918	Wood, W. E., Co.....	Camp Custer, addition to camp.	160,000.00	104,535.23
Feb. 20, 1918	.....do.....	Camp Custer, addition to hospital.....	60,000.00	47,607.11
May 16, 1918	Yokum, R. B.....	Fort Leavenworth, additions....	20,000.00	11,929.42

1 Percentage.

Mr. McCULLOCH. Now, Mr. Wesson, on the list that you have submitted and in the light of your statement, I wish you would tell the committee whether it is true that the incentive would remain, the maximum fee not having been raised, for increasing the cost?

Mr. WESSON. If, as has been noted, the maximum fee was a safeguard, why the incentive still remains in this particular list which I have submitted.

Mr. McCULLOCH. That is true all throughout the construction?

Mr. WESSON. To the very end of it; yes, sir.

Mr. McCULLOCH. What is the amount of it?

Mr. WESSON. These 315 contracts.

Mr. McCULLOCH. Go right ahead with your statement.

Mr. WESSON. The next exhibit I have is a statement in which the fee granted was reached under the construction accomplished. In this list there are 115 contracts listed. We found from this particular file that there were 10 contracts in which the maximum fee granted was reached and exceeded under the construction accomplished. I therefore, submit this list.

(The statements herein referred to are marked, respectively, "Exhibit E. J. W. No. 10" and "Exhibit E. J. W. No. 11", and are printed in full in the record, as follows:)

EXHIBIT E. J. W., No. 10.

*Statement of emergency construction contracts in which the fee granted was reached under the construction accomplished.*

Date.	Contractor.	Project and work.	Fee allowed.	Fee earned
Nov. 1, 1917	Blair, Algernon	Montgomery, Ala., construction.	330,000.00	330,000.00
July 19, 1917	Bates & Rogers Co.	Rockford, roads.	250,000.00	250,000.00
Sept. 28, 1918	Beaver Engineering & Constructing Co.	Yaphank, improvement of sewer plant.	10,500.00	10,500.00
Feb. 26, 1918	Boyle-Robertson Co.	Accountink, filtration plant.	7,000.00	7,000.00
May 4, 1918	Brown & Sons, T. O.	Fort Monroe, barracks.	20,000.00	20,000.00
Nov. 1, 1917	Brown & Sons, T. O.	Augusta, Ga., alterations.	25,000.00	25,000.00
Apr. 26, 1918	Bates & Rogers Co.	New Cumberland, Pa., warehouse.	100,000.00	100,000.00
Nov. 1, 1917	Beckstrom, Ross P.	Rockford, additions.	15,000.00	15,000.00
Do.	Bryers, Edgar H.	Waco, Tex., alterations.	50,000.00	50,000.00
Do.	Bush, H. G.	Deming, N. Mex., additions.	15,000.00	15,000.00
May 9, 1918	Boyle-Robertson Co.	Newport News, barracks.	132,000.00	132,000.00
June 21, 1917	Bentley, A., & Sons Co.	Camp Sherman, construction of cantonment.	250,000.00	250,000.00
Feb. 27, 1918	Cauldwell-Marshall Co.	Jeffersonville, Ind., storage.	40,000.00	40,000.00
Nov. 1, 1917	Claborne, Johnson Co.	Baltimore, additions.	80,000.00	80,000.00
Dec. 7, 1918	Cauldwell-Wingate Co.	Colon, N. J., hospital construction.	4,500.00	4,500.00
July 11, 1918	Cranford Paving Co.	Belvoir, Va., roads.	15,500.00	15,500.00
Jan. 12, 1918	Cunningham & Sons, F. W.	Portland, Me., barracks.	6,000.00	6,000.00
May 4, 1918	Cummings Constructing Co.	Portsmouth, N. H., barracks.	7,000.00	7,000.00
Mar. 23, 1918	Comstock, L. K., & Co.	Washington, D. C., electric wiring.	10,000.00	10,000.00
Jan. 19, 1918	Cauldwell-Wingate Co.	Islin, N. J., hospital.	90,000.00	90,000.00
Aug. 1, 1918	Central Constructing Co.	Edgewood, Md., additions.	100,000.00	100,000.00
Nov. 1, 1917	Columbia Lumber & Manufacturing Co.	Columbia, S. C., additions.	32,000.00	32,000.00
Mar. 29, 1918	Clough-Bourne Corporation.	Mineola, water system.	250,000.00	250,000.00
Feb. 27, 1918	Coleman Bros.	Ayer, Mass., additions to hospital.	95,000.00	95,000.00
May 17, 1918	Cleveland Construction Co.	Sandusky, Ohio, buildings.	100,000.00	100,000.00
June 10, 1918	Dudley, Richard M.	Douglas, Ariz., storehouses.	7,000.00	7,000.00
Nov. 27, 1917	Gormley, Phillip F.	Washington, D. C., barracks.	15,000.00	15,000.00
Sept. 24, 1917	do.	Washington, D. C., Camp Meigs.	250,000.00	250,000.00
Aug. 1, 1918	Fuller, Geo. A., Co.	New Orleans, construction.	225,000.00	225,000.00
Mar. 14, 1918	The Foundation Co.	Edgewood, Md., powder plant.	179,000.00	179,000.00
July 26, 1918	do.	Governors Island, barracks and quarters.	15,000.00	15,000.00

<sup>1</sup> Marked paid.

## EXHIBIT E. J. W., No. 10—Continued.

## Statement of emergency construction contracts, etc.—Continued.

Date.	Contractor.	Project and work.	Fee allowed.	Fee earned.
Apr. 26, 1918	The Foundation Co.—Con..	Seven Pines, Va., loading plant.	\$160,000.00	\$160,000.00
Feb. 21, 1918	do	Tullytown, Pa., loading plant.	160,000.00	160,000.00
Feb. 25, 1918	Fraser & Brace Co.	Saltville, Va., chemical plant.	60,000.00	60,000.00
Feb. 20, 1918	Ferguson, John W., Co.	Wrightstown, additions	60,000.00	60,000.00
June 20, 1917	Fuller, Geo. A., Co.	Fort Riley, constructing cantonment.	250,000.00	250,000.00
Sept. 20, 1918	Glazer Engineering & Construction Co.	Brooklyn, constructing cantonment.	7,000.00	7,000.00
Aug. 5, 1918	Grant-Smith Co.	Washington, D. C., additions to hospital.	7,000.00	7,000.00
Jan. 9, 1918	Gormley, Phillip F.	Belvoir, Va., constructing cantonment.	250,000.00	250,000.00
July 1, 1918	Gallivan Building Co.	Greenville, S. C., additions.	29,250.00	29,250.00
Nov. 1, 1917	do	do	60,000.00	60,000.00
Aug. 1, 1918	Griffiths & Sons Co.	Stithton, Ky., constructing water plant.	250,000.00	250,000.00
June 15, 1917	Hurley-Mason Co.	Camp Lewis, construction	250,000.00	250,000.00
Jan. 12, 1918	Horton & Horton	Galveston, Tex., barracks and quarters.	5,200.00	5,200.00
Nov. 1, 1917	do	Houston, Tex., additions	75,000.00	75,000.00
Nov. 3, 1917	Harrison Construction Co.	Petersburg, Va., additions	110,000.00	110,000.00
Nov. 3, 1917	Hasbrouck, F. B.	Peoria, Ill., cantonment	250,000.00	250,000.00
May 4, 1918	Hugger Bros.	Pensacola, Fla., barracks.	20,000.00	20,000.00
Jan. 12, 1918	do	do	8,000.00	8,000.00
Dec. 31, 1918	Humkin-Conkey Construction Co.	Columbus, Ohio, hangars.	35,000.00	35,000.00
June 14, 1917	Irwin & Liegthon	Wrightstown, constructing cantonment.	250,000.00	250,000.00
Jan. 12, 1918	Jetts-Muths Construction Co.	Mobile, Ala., barracks.	6,000.00	6,000.00
June 10, 1918	Kubach Co., C. J.	Arcadia, Calif., constructing school.	26,000.00	26,000.00
Apr. 9, 1918	Kearns, W. F., Co.	Boston, Mass., warehouse	250,000.00	250,000.00
Nov. 1, 1917	Ley & Co., Fred T.	Ayer, Mass., additions	15,000.00	15,000.00
Nov. 5, 1918	Latham, Edgar H.	Columbus, Ohio, installing pump.	1,800.00	1,800.00
Nov. 1, 1917	LaBarre, Chas. F., & Irwin.	Anniston, Ala., increase time.	70,000.00	70,000.00
June 11, 1917	Ley & Co., Fred T.	Ayer, Mass., construction	250,000.00	250,000.00
July 18, 1918	Merritt-Chapin Co.	Governors Island, pipe line.	7,000.00	7,000.00
Aug. 1, 1917	MacArthur Bros. Co.	Dumont, N. J., constructing cantonment.	250,000.00	250,000.00
Nov. 1, 1917	Moudy & Co., T. S.	Hattiesburg, Miss., additions.	60,000.00	60,000.00
Mar. 23, 1918	Murray Bros.	Washington, D. C., plastering.	7,000.00	7,000.00
July 18, 1917	Moudy & Co., T. S.	Hattiesburg, Miss., construction.	250,000.00	250,000.00
Dec. 13, 1917	Miller, J. H. (Inc.)	Baltimore, addition	80,000.00	80,000.00
Jan. 26, 1918	Mason-Hanger Co. and McArthur Bros. (Inc.)	Port Newark, storage depot.	250,000.00	250,000.00
June 20, 1917	Mason-Hanger Co.	Louisville, constructing cantonment.	250,000.00	250,000.00
Nov. 1, 1917	McGrath, D. W., Co.	Camp Sherman, additions.	60,000.00	60,000.00
Do	McKenzie Construction Co.	Camp Travis, additions	100,000.00	100,000.00
Sept. 12, 1918	Northeastern Construction Co.	Astoria, Long Island, barracks, etc.	9,500.00	9,500.00
Dec. 31, 1917	Norcross, Paul H.	Belvoir, Va., supervising engineer.	10,000.00	10,000.00
July 16, 1917	Newell Construction Co.	Anniston, Ala., roads.	17,697.50	17,697.50
July 5, 1918	O'Reilly Construction Co.	Fort Wood, N. Y., water line.	1,000.00	1,000.00
Feb. 20, 1918	Peckworth, C. M. & R. C.	Yaphank, addition to hospital.	100,000.00	100,000.00
July 15, 1918	Park & Grimes Co.	Fort Oglethorpe, barracks.	3,500.00	3,500.00
Nov. 1, 1917	Porter & Boyd (Inc.)	Charlotte, N. C., alterations.	33,000.00	33,000.00
Oct. 1, 1918	Pattee, W. J.	Lee Hall, Va., operation of commissary.	29,250.00	29,250.00
June 19, 1917	Porter Bros.	Camp Custer, cantonment, construction.	250,000.00	250,000.00
Aug. 7, 1918	Steele & Sons Co.	Philadelphia, Pa., additions to barracks.	2,000.00	2,000.00
Sept. 1, 1918	Shepard & Co., S. S.	Atlanta, central heating plant.	16,500.00	16,500.00
Nov. 1, 1917	Rogers Co., J. S.	Camp Dix, additions.	35,000.00	35,000.00
Feb. 5, 1918	Sperry Engineering Co.	Saybrook, Conn., ordnance buildings.	5,000.00	5,000.00
Feb. 8, 1919	Snare & Triest Co.	Philadelphia, Pa., Motor Transport Corps, barracks.	2,100.00	2,100.00
July 20, 1918	Sanborn Electric Co.	Camp Humphreys, electric work.	10,750.00	10,750.00
Feb. 20, 1918	Stoolman, A. W.	Anniston, Ala., addition to hospital.	50,000.00	50,000.00
Aug. 2, 1918	Standard Engineering Co.	Camp Humphreys, plumbing.	20,000.00	20,000.00
Aug. 15, 1918	Shafer-Collins (Inc.)	Baltimore, roads.	900.00	900.00
Oct. 26, 1917	Smith, Hauser & McLaasie	Curtis Bay, ordnance depot.	250,000.00	250,000.00

## EXHIBIT E. J. W., No. 10—Continued.

## Statement of emergency construction contracts, etc.—Continued.

Date.	Contractor.	Project and work.	Fee allowed.	Fee earned.
June 20, 1917	Stone & Webster.....	Camp Travis, constructing camp	\$250,000.00	\$250,000.00
Dec. 27, 1917	Sanford & Brooks Co.....	Baltimore, quartermaster depot	82,500.00	82,500.00
Nov. 1, 1917	Stewart & McGeehee Co.....	Camp Pike, additions.....	65,000.00	65,000.00
June 23, 1917	Stewart, James & Co.....	Camp Pike, buildings.....	250,000.00	250,000.00
May 2, 1918	Scott, T. A. & Co.....	Portland, Me., water pipe.....	10,000.00	10,000.00
May 6, 1918	Turner Construction Co.....	Brooklyn, N. Y., supply base.....	400,000.00	400,000.00
June 11, 1917	Tufts, Arthur.....	Camp Gordon, constructing buildings.....	250,000.00	250,000.00
Sept. 19, 1918	Union Gas & Electric Co.....	Anchor, Ohio, transportation line.....		
Oct. 1, 1918	Wise Granite & Construction Co.....	Newport News, water development.....	45,000.00	45,000.00
Dec. 19, 1917	Westlake Construction Co.....	St. Louis, warehouse.....	70,000.00	70,000.00
May 4, 1918	Watts Co., H. D.....	Fort Howard, constructing barracks.....	6,000.00	6,000.00
July 24, 1918	Waller Construction Co.....	Washington, D. C., storage.....	1,750.00	1,750.00
July 25, 1918	Wilson, James Y.....	Camp Johnston, additions.....	45,000.00	45,000.00
Jan. 12, 1918	Woodbury & Sons, I. F.....	Boston, barracks.....	16,000.00	16,000.00
Jan. 11, 1918	Weston & Kroeger.....	Camp Stanley, constructing cantonment.....	15,000.00	15,000.00
Nov. 1, 1917	Williams, W. Z. & Co.....	Camp Wheeler, additions.....	86,000.00	86,000.00
Aug. 16, 1917	Westinghouse, Church & Kerr.....	Newport News, constructing camp.....	250,000.00	250,000.00
Dec. 19, 1917	Westlake Construction Co.....	St. Louis, warehouse.....	70,000.00	70,000.00
Nov. 1, 1917	Weitz & Sons, Charles.....	Camp Dodge, additions.....	75,000.00	75,000.00
Sept. 25, 1918	Williams, W. Z. & Co.....	Camp Bennings, constructing cantonment.....	29,250.00	29,250.00
Apr. 17, 1918	Weston & Kroeger.....	Fort Clark, constructing cantonment.....	20,000.00	20,000.00
Dec. 19, 1917	York, Charles Vance.....	Fort Caswell, N. C., additions.....	7,000.00	7,000.00

## EXHIBIT E. J. W., No. 11.

## Statement of emergency construction contracts in which the fee granted was reached and exceeded under the construction accomplished.

Date.	Contractor.	Project and work.	Fee allowed.	Fee earned.
Nov. 1, 1917	Bryce Building Co.....	Fort Worth, Tex., additions.....	\$55,000.00	\$55,000.00
Apr. 29, 1918	Cowper, John W., Co.....	Buffalo, aviation field.....	29,250.00	29,250.00
Sept. 26, 1918	Hart, Chas. F.....	Colonias, N. J., railroad sking.....	2,800.00	2,800.00
Feb. 28, 1918	Hampton Roads Engineering & Construction Co.....	Newport News, temporary housing.....	35,000.00	35,000.00
Apr. 24, 1918	Miller, Henry J.....	Baltimore, construction and alterations.....	10,000.00	10,000.00
Dec. 29, 1917	National Shipbuilding & Dry Dock Co.....	Port Newark, lighters.....	34,000.00	34,000.00
Oct. 30, 1917	Snare & Treist Co.....	Raritan River, ordnance depot.....	250,000.00	250,000.00
Nov. 1, 1917	Tredennick Co., M. C.....	Camp Upton, additions.....	5,000.00	5,000.00

Mr. McCULLOCH. By that you mean the maximum fee of \$250,000 was exceeded?

Mr. WESSON. Yes, sir; I think it was. I have made a graphic analysis of the three reports just submitted, which I will hereto insert and have marked "Exhibit E. J. W. 12."

This exhibit is called the fixed maximum fee as a "safeguard." The total number of contracts awarded by the Construction Division of the Army totals 509; the number of contracts in which the "maximum fee" was never reached by contractors was 315, and this included 16 National Guard camps; the number of contracts in which the maximum fee was reached by the contractors was 115; the number of contracts of which there is no record as to fees paid in the

Construction Division is 70; and the number of contracts on which a fee was allowed in excess of that provided in contracts was 9.

(The document above referred to is printed in the record as follows:)

## EXHIBIT E. J. W. 12.

## THE FIXED MAXIMUM FEE AS A "SAFEGUARD."

Total number of contracts awarded by the Construction Division of the Army -----	509	
Number of contracts in which the "maximum fee" was never reached by contractor (includes 16 National Guard camps)-----	315	
Number of contracts in which the maximum fee was reached by contractors-----	115	
Number of contracts on which there is no record as to fee paid in the Construction Division----	70	
Number of contracts on which a fee was allowed in excess of that provided in contract-----	9	

A further examination and analysis of these statements just submitted show that certain contractors got much more than their pro rata of their fees awarded.

Mr. McCULLOCH. How do you explain that?

Mr. WESSON. The total amount of fees that were paid out by the Construction Division to 363 contractors on 509 contracts was the sum of \$22,413,187.90. This was all in fees, and of this amount the sum of \$3,644,594.51 was turned over to the nine contractors, and was 17 per cent of the total award. The contractor receiving the largest portion of this was the Fuller Construction Co., which received \$654,500.

Mr. McCULLOCH. Let me ask you this question: Is that the same Fuller Construction Co. of which Paul Starrett, a brother of Col. Starrett, of the emergency construction committee, was president?

Mr. WESSON. The record shows that Mr. W. A. Starrett, chairman emergency construction committee, is at present vice president of this company; and he was formerly a member of the firm, and during the war his brother remained president of the same.

Mr. McCULLOCH. By that, then; they are brothers?

Mr. WESSON. Yes sir; they are brothers.

The next company was the James Stewart Co., which received \$532,651.80.

The next was the Bates & Rogers Co., which received \$525,827.76.

The fourth company was the A. Bentley & Sons, which received \$592,061.18.

The Turner Construction Co. received \$469,410.77.

The Thompson-Starrett Co. received \$400,348.34.

The Fred T. Ley Co. received \$273,001.37.

The Stone & Webster Co. received \$269,536.

The Cleveland Construction Co. received \$227,257.29.

Now, there are a number of contractors who received from the beginning of the Great War to the signing of the armistice more in than the Cleveland Construction Co., but I have included the Cleveland Construction Co. in this report for the reason that the records of the Emergency Construction Committee indicate that the Cleveland Construction Co. was practically a defunct company from 1914 to 1918, but about that time Mr. C. W. Lundorfs, a former business partner of Mr. Benedict Crowell, and the original chairman of the Emergency Construction Committee, became affiliated with this company. It is also significant that the larger portion of their work was on ordnance projects, this work coming under the jurisdiction of Mr. Bascom Little in Mr. Crowell's office. Mr. Little was also a member of the firm of Crowell, Lundorfs & Little.

I have made another chart which indicates the actual graphic relations existing between the number of contractors participating, the number of contracts awarded by the emergency construction committee, and the total fees paid contractors, and this shows graphically the portion each received by what I have termed the "Big Nine."

(The document marked "Exhibit E. J. W. 13" is printed in the record as follows:)

#### EXHIBIT E. J. W. No. 13.

##### SELECTION OF CONTRACTORS.

An examination of the records of the Construction Division of the Army on December 21, 22, and 23, 1919, indicated that up to and including December 23, 1919, fees had been paid by the Construction Division on 500 individual contracts of the emergency construction type. This does not include fees paid subcontractors, of which no record is maintained, despite the fact that hundreds of subcontractors participated.

An analysis of the records mentioned above indicates that a small group of contractors received such a large proportion of the total amount paid in fees as to justify a more detailed examination. This examination has been made, and the following graphical report is submitted:

##### THE "BIG NINE."

The Fuller Construction Co.: Mr. W. A. Starrett, chairman emergency construction committee, is at present vice president of this company; was a member of the firm and during the war his brother remained president of the firm.

James Stewart Co.

Bates & Rogers Co.

A. Bentley & Sons: Mr. James Bentley, vice president and general manager of this firm, was associated in a professional way with Mr. Starrett, and shows a high degree of intimacy existed between these gentlemen while Mr. Starrett was on the emergency construction committee.

Turner Construction Co.

Thompson-Starrett Co.: Mr. Starrett and Mr. Clair Foster, of the U. S. C. were former members of this firm.

CAMPS.

2487

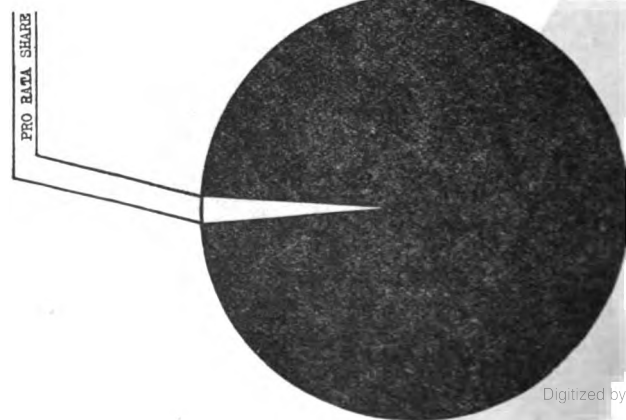
Number of contracts  
awarded "Big Nine"

Contracts distributed among 354 firms.

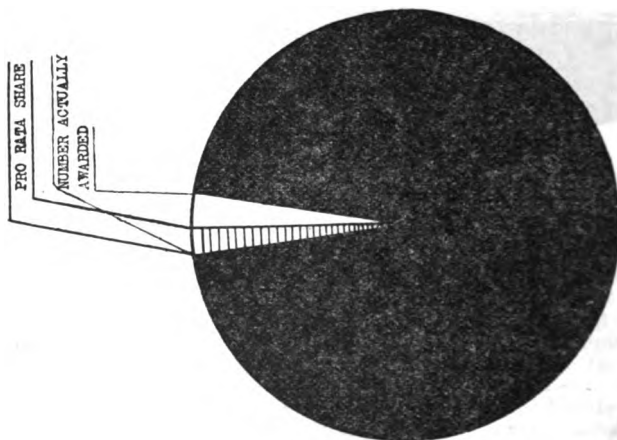
Fees Paid  
"-Big  
NINE"

Fees Paid 354  
Contractors

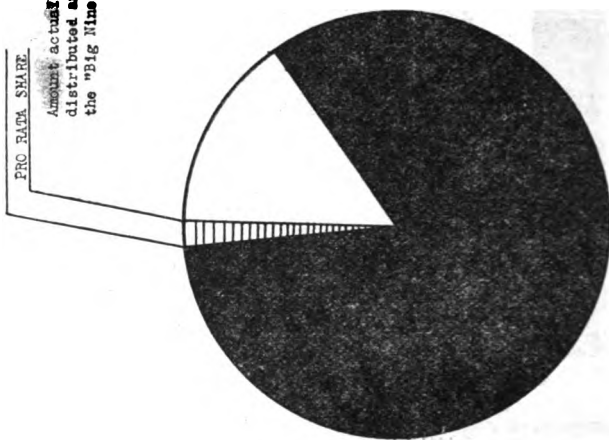


**"BIG NINE'S" SHARE IN THE PROFITS.****NUMBER OF CONTRACTORS PARTICIPATING**

White: Big Nine  
Black: 364 Contractors

**NUMBER OF CONTRACTS AWARDED BY M.C.C.**

White and Mixed: "Big Nine" got 34  
Black: 364 contractors got 445 contracts

**TOTAL FEES PAID CONTRACTORS**

White & Mixed: "Big Nine" got \$8,844,894.51  
Black: 364 Contractors got \$16,668,892.38

Fred T. Ley Co.: Mr. James Mears, vice president of this company, an intimate friend and former associate of Mr. Starrett's on the E. C. C.

Stone & Webster Co.: This firm well represented by former employes both in the Constuction Division and in the early days of the E. C. C.

Cleveland Construction Co.: See notes on sheet showing distribution of fees.

FEES PAID "BIG NINE."

EXHIBIT E. J. W. No. 18.

# 9

Mr. Starrett and others have repeatedly pointed out the fact that no contractor has been awarded more than four contracts; further, that there were not sufficient contracts "to go around." It is probably an oversight on his part that he has never shown that portion of the "total fees paid" earned by the companies toward which he has occasionally been charged with "favoritism."

There was paid out by the Construction Division of the Army to 363 contractors on 509 contracts the sum of \$22,413,187.90 in fees. Of this amount the sum of \$3,844,594.51 was turned over to the "Big Nine."

DISTRIBUTION OF FEES AMONG THE "BIG NINE."

(a) Fuller Corporation Co.....	\$654,500.00	
(b) James Stewart Co...	532,651.80	
(c) Bates & Rogers Co...	525,827.76	
(d) A. Bentley & Sons...	492,061.18	
(e) Turner Construction Co.....	469,410.77	
(f) Thompson - Starrett Co.....	400,348.34	
(g) Fred T. Ley Co.....	273,001.87	
(h) Stone and Webster...	269,536.00	
(i) Cleveland Construction Co.....	227,257.29	

NOTE.—The fees considered hereon are those covering construction coming under the jurisdiction of the Construction Division of the Army. All of the above contractors had Government work upon which they received fees in addition to the foregoing; for instance:

- (a) Government office buildings, Washington.
- (c) Subcontractors, Hog Island.
- (d) Shipping Board and Housing Corporation.
- (e) Navy.
- (f) Ordnance, etc.
- (h) Flying fields, etc.

Although all of the contractors on original construction work at cantonments drew fees in excess of the amount placed opposite the name of the

Cleveland Construction Co. this firm is cited in this classification due to the significant fact that the fees earned by them, were earned on contracts awarded after May, 1918. Prior to that date our record shows that they were practically a defunct organization, but about that time Mr. C. W. Lundoff, a former business partner of Mr. Benedict Crowell and the original chairman of the Emergency Construction Committee, became affiliated with this company. It is also significant that the larger portion of their work was on ordinance projects, this work coming under the jurisdiction of Mr. Bascom Little, in Mr. Crowell's office. Mr. Little was also a member of the firm of Crowell, Lundoff & Little.

Mr. McCULLOCH. All of these exhibits we desire to submit in connection with Mr. Wesson's testimony.

Mr. DOREMUS. I observed on exhibit marked "E. J. W. 12," you show the total number of contracts awarded by the Construction Division of the Army as totaling 509. That is correct, is it not?

Mr. WESSON. That figure was obtained from the records of the Construction Division.

Mr. DOREMUS. That figure of 509 contracts includes the 16 large National Guard cantonments?

Mr. WESSON. Yes, sir.

Mr. DOREMUS. The chart also shows that the number of contracts in which the maximum fee was never reached by the contractor was 315?

Mr. WESSON. Yes, sir.

Mr. DOREMUS. How many of those 315 contracts were completed at the time the armistice was signed?

Mr. WESSON. I did not have time to go into that any deeper, Mr. Doremus. This particular analysis was just finished yesterday.

Mr. DOREMUS. It would follow, as a matter of course, that all the contracts which were not completed at the signing of the armistice are included in those 315?

Mr. WESSON. Yes, sir.

Mr. DOREMUS. This chart also shows that the number of contracts on which a fee was allowed in excess of that provided in the contract was nine, and they are set out in detail in the exhibit marked "E. J. W. 11." This statement is entitled: "Statement of emergency construction contracts in which the fee granted was reached and exceeded under the construction accomplished."

I find here, among others, the Bryce Building Co., at Fort Worth, Tex., who were allowed a fee of \$55,000 in the contract, and who earned a fee of \$80,000.

Mr. WESSON. Yes, sir.

Mr. DOREMUS. Do you mean by that that the Bryce Building Co. received a fee of \$80,000 for the performance of work under a contract which allowed them a fee of only \$55,000?

Mr. WESSON. No, sir; I do not. I mean by that, that the particular record from which these figures were obtained shows that condition to exist. And as I have stated, the figures are accordingly subject to correction from a more accurate record, but those are the most accurate we have now. I received them and had them verified by Maj. Newton, of the Accounting Division.

Mr. DOREMUS. But are you able to inform the committee whether the difference between a fee of \$55,000 and a fee earned of \$80,000 represents additional construction?

Mr. WESSON. I am not.

Mr. DOREMUS. That same answer applies, I would take it, to the other nine contracts?

Mr. WESSON. Yes, sir.

Mr. DOREMUS. Then what is the practical value of the exhibit?

Mr. WESSON. In order to make the exhibit tally with the record. That makes it tally.

Mr. DOREMUS. Let me ask you what is the purpose of the exhibit "E. J. W. 11"?

Mr. WESSON. Simply to make the balance of the exhibit tally with the record. I had to account for those nine contracts. The record showed that, and they did not belong in the class where the maximum fee was not reached, or was reached. They were introduced to show that the contractors received a larger fee than what they were entitled to under the contract.

Mr. DOREMUS. Are you able to inform the committee of the total expenditure, or approximately the total expenditure, under all the contracts?

Mr. WESSON. I have made a close study of that, Mr. Doremus. From the 1st of July I have had experience as a statistician, and I think I am perfectly safe to say that there is no man to-day on earth who can make such an estimate.

Mr. DOREMUS. Well, are you able to testify what proportion of contracts under which the maximum fee was never reached bears to the total volume of the contracts executed, in money?

Mr. WESSON. I believe I can show that. No; I am unable to do so.

Mr. DOREMUS. Is it not your opinion, Mr. Wesson, that it is a very small percentage?

Mr. WESSON. Well, I have in my hand, Mr. Doremus, a working paper, which is approximately correct. It shows that the 313 fees, in which the maximum earned by the contractor amounts to \$11,136,-252.95. On the contract on which a maximum fee was earned by the contractor the amount is \$10,276,934.96.

Mr. DOREMUS. Does this list of contracts include all contracts for road work?

Mr. WESSON. It does; yes, sir.

Mr. DOREMUS. In fact, it includes all contracts, both large and small?

Mr. WESSON. Yes, sir.

Mr. DOREMUS. Mr. Wesson, the exhibit marked "E. J. W. 11" shows that the National Shipbuilding & Dry Dock Co., at Fort Newark, was allowed a fee of \$34,000, and that the fee earned was \$69,560.30. Will you take those figures and state if they are correct?

Mr. WESSON. Those figures were taken from the card file in the accounting division of the construction division, and they purport to show all fees on contracts coming under the jurisdiction of the construction division.

Mr. DOREMUS. As to whether these figures are correct, as a matter of fact, you do not know?

Mr. WESSON. I can not be responsible for the records.

Mr. DOREMUS. And you do not know whether you obtained all of the records?

Mr. WESSON. The record was said to be correct.

Mr. DOREMUS. By whom?

Mr. WESSON. By Maj. Newton, of the construction division.  
(The witness withdrew.)

Col. SHELBY. Mr. Chairman, I would like to know if there is a copy of those exhibits by which we can make a comparison. It likely will be several weeks before they are printed.

Mr. McCULLOCH. Col. Shelby, this will be printed within a few days, and it would be possible for you to get a copy of it sooner from the reporter.

Col. SHELBY. I shall be pleased to do so.

Mr. CHANTLAND. Mr. Chairman, I would like at this time to offer in evidence a letter from Mr. H. V. Scott, addressed to me, which I desired to have numbered "Exhibit N. L. K. 1100."

(The letter is as follows:)

EXHIBIT N. L. K. No. 1100.

GORDON-VAN TINE Co.,

Davenport, Iowa, October 16, 1919

Mr. WM. T. CHANTLAND,  
Counsel, Washington, D. C.

DEAR FRIEND CHANTLAND: Mighty glad to hear from you and hasten to get as frank answer to you as possible. Your question is extremely hard to answer because there are so many different points affected and to answer this generally would be impracticable and impossible.

For instance, if you refer to white pine, then the price of No. 2 would be considerably higher than the price of mill run because in white pine such a great percentage runs No. 2 and under.

If it refers to hemlock, then exactly the same reasons apply.

If it is yellow pine, it depends greatly upon the nature of the timber whether short leaf or long leaf—whether the lumber might have come from Mississippi or Texas. Yellow pine is probably equal on a general average—that is, I believe the mill run would about equal No. 2—if anything with an advantage in the price of mill run because a greater percentage of the material is No. 2 and better.

If it is fir that you are asking information on, then the price of mill run would be somewhat higher than the price of No. 2.

I have answered your question just as frankly as possible.

Yours, very truly,

H. V. SCOTT.

Mr. CHANTLAND. I also wish to offer in evidence a letter from the Secretary of War to the chairman, under date of October 4, 1919, which I desire inserted in the record, and which is marked "Exhibit N. L. K. No. 1101."

(The letter referred to is printed in the record as follows:)

EXHIBIT N. L. K. No. 1101.

WAR DEPARTMENT,

Washington, October 4, 1919

HON. JOHN C. MCKENZIE,  
House of Representatives, Washington, D. C.

MY DEAR MR. MCKENZIE: Your letter of September 20 requesting that your committee be advised as to the extent that the plans for temporary camps, as shown in Appendix No. 15, Manual for the Quartermaster Corps, United States Army, 1916, was adhered to in the construction of National Army cantonments, has been received and forwarded to the Construction Division for remark.

The committee is advised that the plans for the temporary camps, shown in Appendix No. 15, Manual of the Quartermaster Corps, United States Army, 1916, were not adhered to in any particular for the National Army cantonments.

these plans contemplating the housing of troops in tents and the building out of lumber of only the tent frames and supports for kitchens and mess halls, also the use of pit latrines.

At the outbreak of the war canvas was not available in sufficient quantities for the 32 cantonments which were proposed for the housing of the Army. It was, therefore, necessary to use simple frame construction for the 16 National Army cantonments. The plans for these were developed by the Construction Division and provide for the maximum degree of comfort and accommodation at a minimum of expense. Plans shown in Appendix 15, Quartermaster Manual, were closely followed in every respect for the use of the 16 National Guard camps; there being sufficient tentage for the housing of these men. After the National Guard camp sites had been used for a number of months sewer systems were authorized and the pit latrines, as outlined in Appendix 15, were abandoned, and were superseded by toilets.

Appendix 15 does not provide for buildings of a semipermanent nature which could be used for men without field training such as the men selected from civilian life in most cases. It was, therefore, necessary to build simple wooden structures in order that these men could be housed more comfortably. The Construction Division prepared the plans and specifications for these camps and they were not in accordance with the plans as shown in Appendix 15, in that this appendix did not provide for wooden structure buildings.

Very respectfully,

NEWTON D. BAKER,  
*Secretary of War.*

Mr. McKENZIE. What is your pleasure, Col. Shelby, about anything you wish to offer? Would you prefer to let it go over until the 13th?

Col. SHELBY. We have a number of witnesses that we would like to call, and I would like if we could have a session in which we could go right ahead, and not run them in piecemeal between the other witnesses. We would like to put our people on the stand and let them get through, particularly, if we brought them here from a distance.

Mr. McKENZIE. We will then decide to hear your people on the 13th and 14th.

Mr. CHANTLAND. I now wish to introduce in evidence a letter from H. C. Smither, colonel, General Staff, Assistant to Director of Purchase, Storage and Traffic, War Department, to the chairman of the subcommittee, dated December 19, 1919, with an inclosure, which is a copy of a letter to Mr. McKenzie by the Secretary of the War Department, under date October 18, 1919, which I desire to have marked "Exhibit N. L. K. No. 1002."

(The letter above referred to and inclosures are printed in the record in full as follows:)

EXHIBIT N. L. K. No. 1002.

WAR DEPARTMENT,  
OFFICE OF THE CHIEF OF STAFF,  
Washington, December 19, 1919.

Hon. JOHN C. McKENZIE,  
Washington, D. C.

DEAR SIR: In compliance with the verbal request from Mr. E. J. Weason, representing you, I inclose herewith a copy of a letter addressed to you by the Secretary of War, under date of October 18.

This letter embodies a reply to your letter of October 13th, in which you ask to be advised as to what extent the plans for temporary buildings for mobilization camps, shown in Appendix No. 16, "Manual for the Quartermaster Corps, United States Army, 1916," were adhered to for the National Army cantonments.

Mr. Wesson was under the impression and so informed me that no reply to your letter of October 13 had ever been received. There exists a possibility that the identity of the original of which the attached is a copy was not recognized, as the records of this office show that this letter was sent by a special messenger on October 24 in conformity with a telephone request that same reach you by October 25.

In the event that the original of the attached copy has never been received in your office, whatever may have been the cause of such failure, it is not in this particular case attached to the Construction Division.

Very truly, yours,

H. C. SMITHER,  
Colonel, General Staff,  
Assistant Director of Purchase, Storage, and Traffic.

652. CR-AD (General) (Oct. 18)  
OCTOBER 18, 1919.

Hon. JOHN C. MCKENZIE,  
House of Representatives, Washington, D. C.

MY DEAR MR. MCKENZIE: Your letter of October 13, requesting that you be advised as to what extent the plans for temporary buildings for mobilization camps shown in Appendix No. 16, Manual for Quartermaster Corps, United States Army, 1916, were adhered to for the National Army cantonments, has been received.

I am advised by the Chief of the Construction Division that these plans were followed wherever it was practical to do so. At the National Army cantonments, 30,000 to 50,000 men were concentrated in divisional units. Two-story barracks were generally built instead of one-story, so as to reduce the land area required, and thus save needless expense for the additional miles of water, sewers, electric lights, and roads which would have been required to serve the more widely scattered one-story buildings had they been used. Many of the buildings in the National Army cantonments were, however, one-story structures and conformed to the plans shown in Appendix No. 16. This was especially true of some of the officers' quarters, warehouses, mess buildings and storehouses, post exchanges, bakery buildings, animal and vehicle shelters, and other structures.

The large personnel of the National Army cantonments required a hospital capacity of from 1,000 to 2,500 beds. In order to reduce the area covered and to permit more economical administration a number of the hospital buildings were also made two story in height.

Sewerage systems were installed at all of the National Army cantonments and ordinary toilets were used instead of the pit latrines, as shown in Appendix No. 16.

It should be appreciated that the plans shown in the 1916 edition of the Quartermaster Manual are typical in their character and were designed before the United States entered the war.

Experience gained in housing troops on the Mexican border in 1916 and in building the first officers' training camps, where Appendix No. 16 plans were used, indicated that certain changes in these plans could be made to advantage with resulting saving in money and greater comfort for the men. These revisions were therefore incorporated in the plans for the National Army cantonments.

Very respectfully,

NEWTON D. BAKER,  
Secretary of War.

MR. CHANTLAND. We also wish to offer from volume 2 of the Manual for the Quartermaster Corps, United States Army, 1916, pages 337 and 338, and ask that they be printed in the record, and also page 344, and also the table opposite page 344, marked, respectively, "Exhibit N. L. K. No. 1103," "Exhibit N. L. K. No. 1104," "Exhibit N. L. K. No. 1105," and "Exhibit N. L. K. No. 1106."

(The exhibits above referred to are printed in the record in full, as follows:)



EXHIBIT N. L. K. No. 1103.

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**Appendix No. 16.**

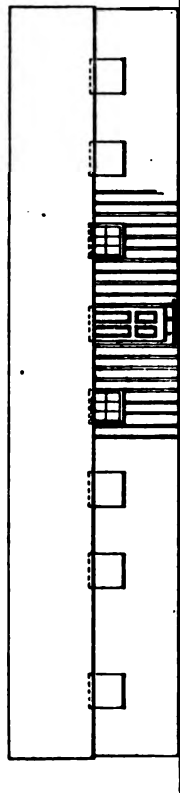
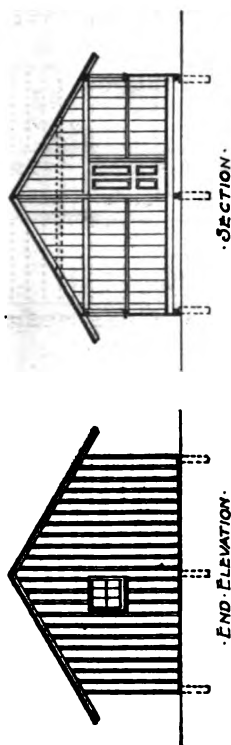
(Manual for the Quartermaster Corps, 1916.)

**TEMPORARY BUILDINGS FOR MOBILIZATION CAMPS.**

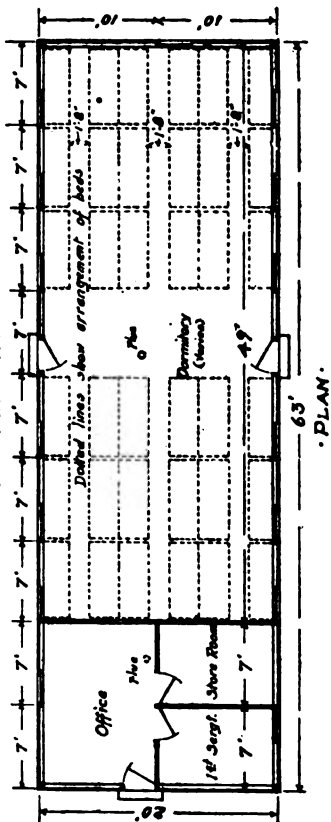
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- |  |                              |
|--|------------------------------|
| 1. Typical details for gable-roof buildings. | 10. Administrative building. |
| 2. Officers' quarters, large.                | 11. Guardhouse.              |
| 3. Barrack, noncommissioned officers and     | 12. Storehouse.              |
| 4. Officers' quarters, small.                | 13. Hospital.                |
| detachment.                                  | 14. Ward building.           |
| 5. Barrack, enlisted men.                    | 15. Post exchange.           |
| 6. Mess building.                            | 16. Field bakery.            |
| 7. Kitchen.                                  | 17. Shelter for animals.     |
| 8. Latrines.                                 | 18. Shelter for vehicles.    |
| 9. Bathhouse.                                |                              |





SIDE ELEVATION.



SCHEDULE - BARRACKS.

Each Barrack has 2 doors for office & 1 large window Bldg. of 600	Dormitory Bents.				Totals				Number of Men.
	Window	Door	Window	Door	Window	Door	Window	Door	
63' 9	3	1	3	1	6	2	6	2	37
70' 10	3	1	4	1	7	2	7	2	43
77' 11	4	1	4	1	8	2	8	2	49
91' 13	5	1	3	1	8	2	9	2	55
98' 14	5	1	4	1	9	2	10	2	61
105' 15	5	1	4	1	10	2	11	2	67
112' 16	4	1	4	1	8	2	12	2	73
126' 18	3	1	4	1	6	2	13	2	79
133' 19	3	1	4	1	6	2	14	2	85
140' 20	3	1	4	1	6	2	15	2	91
147' 21	4	1	4	1	8	2	16	2	97

NOTE:-

Each door bent to have a flue.  
All partitions extend to roof.

BARRACK ENLISTED MEN.

Scale in Feet.  
1" = 10'

TEMPORARY BUILDINGS.

For.

MOBILIZATION CAMPS.



SCHEDULE - BARRACKS.

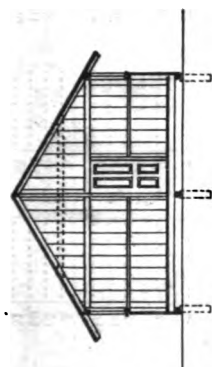
Each Barrack has 2 Bents for office, & Length Number, Bill of each.	Dormitory Bents.						Totals	Number of Men.
	Windows	Door	Windows	Door	Windows	Door		
63' 9"	3	1	3	1	3	1	6	17
70' 10"	3	1	4	1	3	1	7	18
77' 11"	4	1	4	1	3	1	8	19
91' 13"	5	1	3	1	3	1	9	21
98' 14"	5	1	4	1	3	1	10	22
105' 15"	5	1	4	1	3	1	11	23
112' 16"	4	1	4	1	3	1	12	24
126' 18"	3	1	3	1	4	1	13	36
133' 19"	3	1	4	1	4	1	14	37
140' 20"	3	1	4	1	4	1	15	38
147' 21"	4	1	4	1	4	1	16	39

NOTE:—

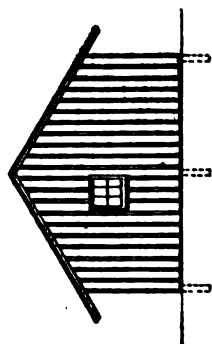
Each door bent to have a flue.  
All partitions extend to roof.

BARRACK · ENLISTED · MEN ·

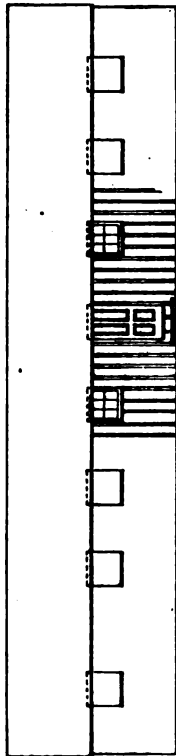
Scale in Feet.



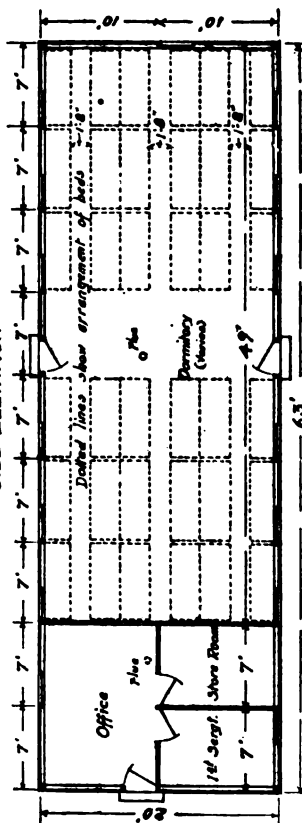
SECTION.



END ELEVATION.



SIDE ELEVATION.



PLAN.

TEMPORARY BUILDINGS.

FOR.

MOBILIZATION CAMPS.



## Length of buildings.

Description.	112 feet.		126 feet.		133 feet.		140 feet.		147 feet.	
	Pieces.	Feet b. m.	Pieces.	Feet b. m.	Pieces.	Feet b. m.	Pieces.	Feet b. m.	Pieces.	Feet b. m.
<b>Lumber.</b>										
Foundation posts, 6 by 6 inches by 2 feet 6 inches.....	51	388	57	428	60	450	63	473	66	495
Sills, girders, and plates, 2 by 6 inches by 14 feet.....	64	896	72	1,008	76	1,064	80	1,120	84	1,176
Joists, plates, ends only, 2 by 6 inches by 10 feet.....	170	1,700	190	1,900	200	2,000	210	2,100	220	2,200
Rafters, 2 by 4 inches by 14 feet.....	130	1,170	146	1,314	154	1,386	162	1,458	170	1,530
<b>Studs.</b>										
Ends and high partitions, 2 by 14 inches by 14 feet.....	4	36	4	36	4	36	4	36	4	36
Sides and jacks, 2 by 4 inches by 8 feet.....	46	253	52	286	54	297	56	308	58	319
<b>Girts.</b>										
Sides and longitudinal partition, 2 by 4 inches by 14 feet.....	19	171	21	189	22	198	23	207	24	216
Ends and cross partition, 2 by 4 inches by 10 feet.....	13	85	13	85	13	85	13	85	13	85
<b>Boards.</b>										
Sides and partitions, 1 by 12 inches by 8 feet.....	243	1,944	273	2,184	288	2,304	303	2,424	318	2,544
Ends and high partitions, 1 by 12 inches by 12 feet.....	49	588	49	588	49	588	49	588	49	588
Ends, partition, and roof, 1 by 12 inches by 14 feet.....	277	3,873	307	4,288	322	4,508	337	4,718	352	4,928
Ridge, tiebeams, and window sills, 1 by 6 inches by 14 feet.....	62	434	69	483	73	511	77	539	81	567
<b>Battens.</b>										
Sides and partitions, 1 by 3 inches by 8 feet.....	266	532	298	596	314	628	330	660	346	692
Ends and high partitions, 1 by 3 inches by 10 feet.....	28	208	28	208	28	208	28	208	28	208
Ends and partitions, 1 by 3 inches by 14 feet.....	56	106	56	106	56	106	56	106	56	106
Stop beads, for doors and windows, $\frac{3}{4}$ by 14 inches by 12 feet.....	66	132	73	146	77	154	81	162	85	170
Tongued-and-grooved flooring, $\frac{3}{4}$ by 3 inches.....		2,688		3,024		3,192		3,360		3,528
<b>Total.</b>	1,544	15,156	1,708	16,831	1,790	17,667	1,872	18,504	1,954	19,340
	Quantity.		Quantity.		Quantity.		Quantity.		Quantity.	
<b>Miscellaneous items:</b>										
7-inch fire clay, round flue, 2 feet long.....	3		4		4		4		4	
9-inch galvanized iron smoke pipe (No. 26, United States standard gauge), as per detail.....	3		4		4		4		4	
1 No. 10 Brown & Sharpe gauge wire for each flue.....	3		4		4		4		4	
6-light 10 by 16 inch single sash, glazed.....	28		30		32		34		36	
3-inch hook and eye (1 for each sash).....	28		30		32		34		36	
2 feet 8 inches by 6 feet by 8 inches by 18 inches 4-panel O. G. molded door.....	7		9		9		9		9	
4 by 31 inch rim lock, milled knobs, screws, complete.....	14		18		18		18		18	
8-inch 1 hinge (with screws (2 to each door)).....	82		91		96		100		105	
6-penny nails (nails, boarding, and roofing).....	90		101		107		112		118	
3-penny nails (battens and stop beads).....	47		52		54		57		59	
do.....	32		36		38		40		42	
Roofing paper (108-foot rolls, nails, caps, etc., complete).....										
<b>Approximate cost.</b>	\$839		\$941		\$983		\$1,024		\$1,077	



Mr. CHANTLAND. I also wish to introduce in evidence a letter to Mr. M. C. Tuttle, Council of National Defense, Munsey Building, Washington, D. C., which letter I desire to have inserted in the record in connection with the testimony of Louis B. Wehle of this morning. This letter is under date of July 27, 1917.

(The letter referred to above is printed in the record in full, as follows:)

COUNCIL OF NATIONAL DEFENSE,  
Washington, July 27, 1917.

Mr. M. C. TUTTLE,  
Council of National Defense,  
Munsey Building, Washington, D. C.

MY DEAR MR. TUTTLE: This is an admirable letter. I do not think I can improve it even if I had time to study it now, which I have not. I am just off to-day for a committee meeting in New Hampshire. (Worse luck.) I shall be back here Wednesday morning.

I wish you would send me a copy of this letter for my files.

Very sincerely, yours,

IDA M. TARBELL,  
Per M. G. N.

(Dictated but not read.)

Mr. CHANTLAND. I also wish to offer in evidence a memorandum concerning the cost of producing yellow pine, mill-run lumber and timbers in 21 mills located in Mississippi, Louisiana, and Texas, and Douglas fir, spruce, and hemlock mill-run lumber and timbers of 11 miles located in Oregon and Washington. I desired to have this printed in the record.

(The memorandum above referred to is marked "Exhibit N. L. K. No. 1108" and is printed in the record in full as follows:)

#### EXHIBIT N. L. K. No. 1108.

There are submitted herewith certain tables which show for certain companies the average costs of producing yellow pine and Douglas fir lumber. These tables are submitted to aid Government agencies which are negotiating for specific contracts with specific concerns.

The tables cover the average cost of producing run-of-mill yellow-pine lumber for 21 mills in Mississippi, Louisiana, and Texas, and the cost of producing Douglas fir lumber for 11 mills located in Oregon and Washington. The yellow-pine mills in 1916 produced over 1,140,000,000 board feet, or 8.3 per cent of the estimated output of yellow-pine lumber in the United States. The 11 Douglas fir mills produced in the month of May, 1917, over 51,000,000 board feet, and their 1916 production was nearly 0.8 per cent of the estimated 1916 Douglas fir production.

The costs shown in these tables do not purport to be the costs of producing ship timbers required for Government ship schedules, but, as already stated, are average costs covering the entire output of the mills. It was impossible to secure the cost of the special timbers required for the ship schedules at the time this report was prepared as the mills were not cutting such schedules and the timbers required under the specifications adopted by the Emergency Fleet Corporation are largely special sizes which have not been produced in the mills in the past.

These tables, moreover, are not sufficiently comprehensive to warrant the commission in framing a judgment as to what constitutes a fair cost basis for determining the price on lumber sold to the public.

They are, however, typical of certain large producers in the industry and are submitted as being of value in connection with Government purchases of lumber.

The costs of other companies, supplementing the data herewith submitted, are in preparation and will be submitted as completed. The books of many lumber companies visited have been found to be in such a poor condition that it has been a most difficult task to get satisfactory figures.

Work is being actively pushed toward getting the costs of producing the lumber required for ship schedules, a large force of men being now located

among those yellow pine and Douglas fir mills which are getting out the large timbers required for such schedules, and the data should be ready within a short time.

The tables submitted herewith show that during June, 1917, the cost of producing yellow-pine lumber, including stumpage, but not selling, for the 21 mills covered, ranged from \$12.66 to \$21.30 per thousand board feet. The average cost was about \$15.50. The range of costs on Douglas fir lumber, including a large proportion of timbers, for the mills covered by the commission's tables, was from \$14.79 to \$19.54 per thousand. The average was \$16.47.

All items which properly belong in cost are embraced in the commissions' figures, including labor, materials and supplies, depletion and depreciation, and overhead expenses, such as taxes, insurance, and administration. Practically all taxes on net income, however, are excluded; no allowance for interest on investment has been made, except that a small amount of interest is included in the stumpage cost. It will be observed that selling expenses are separately stated.

Stumpage is an important item of cost, especially in the case of the yellow pine mills. The cost of stumpage has been based, in the case of fir, upon a market price and undoubtedly includes some intercompany profit. In the case of yellow pine, the stumpage has been taken as it appears on the books of the companies. The lumber companies claim that it is not equal to the market price, but the commission believes that the figure shown is very reasonable.

Depreciation has been included virtually as it has been allowed for on the books of the companies themselves, deductions being made in a few cases in which the company figures were clearly excessive. In the judgment of the commission, the depreciation figures shown are fairly reasonable and are certainly not too low. On the average, depreciation amounts to something less than \$1 per thousand board feet.

Lumber companies distribute the expense for hauling lumber "on the yard" differently. The practice of individual companies has generally been followed.

Selling expenses in many cases (notably in the case of the Texas mills) is an arbitrary figure, as the lumber company is often interested in the selling company.

For a detailed statement of the various accounts included in the commission's cost figures, see the note on "Technique of lumber production," at the end of this memorandum.

June costs of fir appear to show an increase of over \$2 on the average above costs of May. This increase, however, is almost entirely due to decreased output, chiefly caused by labor difficulties. The mills also claim that difficulty in marketing low-grade stock has compelled them to decrease production. (It will be noted that the list of companies for May costs in the case of Douglas fir is not identical with the June list.)

The differences in cost of production among the different mills, while not so great as in some industries, is considerable. The chief items of difference appear to be in logging cost, which is strongly affected by the different distances that logs have to be carried to the mill and in selling costs. Selling costs appear to differ widely for two chief reasons: (1) Some companies sell to wholesalers, others direct to the retail trade; (2) some companies make an arbitrary price to affiliated selling companies and others are not related to a separate selling company. The high selling cost of the St. Pul & Tacoma Co., on the Pacific coast, is chiefly due to the fact that shipping has been included.

The difference in the cost of producing lumber from fir and from yellow pine, though not great, is appreciable. The cost of fir lumber is nominally lower than yellow pine when a large percentage of timbers is cut. This is due to the lower stumpage cost on account of the remoteness of the fir timber to the market. Moreover, logging costs in the case of fir are not changed materially when large timbers are produced, for the reason that the logs are naturally much larger and longer than in the case of yellow pine. Most of the fir mills covered in the tables cut a considerably greater percentage of timbers than was the case with the yellow pine mills, which tends to obscure somewhat the advantage in cost possessed by the fir producers.

#### NOTE ON TECHNIQUE OF LUMBER PRODUCTION.

Lumber is produced from standing timber. The timber is felled, cut into log lengths, transported to the sawmill, and sawed into inch boards, planks or dimension, joists, scantling, and timbers. All of these may be produced

from a single log, and each item may vary in quantity from zero to approximately 100 per cent, depending upon the character of the timber, the judgment of the sawyer, the sales policy of the company, and the mill equipment. A log may be cut into board only, but not into timbers only.

Practically all Douglas fir lumber produced in the United States comes from the States of Washington and Oregon, and practically all long-leaf yellow pine from the Gulf States.

"Stumpage" (as an asset) means the standing timber. The mill company may own both the timber and the land on which it stands, or the timber only. The timber may be under option on advance payments, or without advance payments.

"Stumpage" (as an expense or cost) includes depletion and means that part of the stumpage asset cut for the purpose of making lumber or for other use. Storm damage may also be covered in this account.

"Logging" includes the tree, cutting into logs, hauling to transportation line, loading on vehicles (often railway cars), hauling from woods to sawmill yard, or log pond, and unloading into log pond or yard.

"Sawing" includes log-pond or log-yard expenses, measuring logs, cutting logs to length, sawing on head saw, resawing, edging boards, and trimming ends of lumber, and, generally, power-plant expenses.

"Yard" includes sorting and grading of rough lumber, hauling from sawmill to piles in yard or sheds for rough lumber, and timber dock expenses.

"Dry kiln" includes piling on kiln trucks, hauling into and through kilns, and expense of operating kilns.

"Planing mill" includes haul to planer from kilns, yard, or shed, planing lumber, sorting and grading and hauling to finish or dry sheds.

"Shipping" includes haul from yards, sheds, or planing mills to cars, including loading and clerical expenses as to shipping.

"Administration and general" includes overhead, taxes, and insurance.

"Depreciation" generally means an estimated amount to amortize property other than timber, based on the life of the operation.

"Selling expense" includes items directly chargeable to the sale of lumber.

*Yellow pine production—Estimated investment per 1,000 board feet, and suggested prices—Companies arranged in order of cost, June, 1917.*

Company No.	Production, 1916 (feet board measure).	Cost per 1,000 feet board measure.	Estimated investment per 1,000 board feet produced in 1916.		Suggested price based on total assets less stumpage.		Suggested price based on extra stock, bonds, and surplus, less side securities.	
			Assets, less stumpage.	Stocks, bonds, and surplus.	Cost, plus 10 per cent on estimated investment.	Cost, plus 15 per cent on estimated investment.	Cost, plus 10 per cent on estimated investment.	Cost, plus 15 per cent on estimated investment.
1.....	54,364,232	\$13.24	\$17.97	\$29.66	\$15.04	\$15.94	\$16.21	\$17.49
2.....	27,763,528	14.45	38.14	50.39	18.26	20.17	19.39	21.44
3.....	41,639,854	14.79	18.40	38.82	16.63	17.55	18.67	20.00
4.....	32,076,382	14.86	31.99	26.36	18.06	19.66	17.40	19.49
5.....	20,009,088	14.94	7.54	14.82	15.69	16.07	16.42	17.00
6.....	41,202,680	15.34	31.92	32.42	18.53	20.13	14.54	16.29
7.....	51,089,020	15.44	22.22	35.09	17.66	18.77	14.95	16.79
8.....	101,144,088	15.50	26.88	97.88	18.19	19.53	25.29	27.44
9.....	45,937,128	15.51	16.41	21.41	17.15	17.97	17.65	18.69
10.....	12,277,524	15.55	40.61	52.89	19.61	21.64	20.94	22.99
11.....	43,400,000	15.65	42.09	62.13	19.85	21.96	21.86	23.99
12.....	59,675,510	15.94	17.17	65.16	17.66	18.52	22.66	24.49
13.....	41,854,725	16.17	27.26	51.23	18.90	20.26	21.29	22.99
14.....	45,350,222	16.28	40.43	80.02	20.32	22.34	24.24	26.49
15.....	58,880,935	16.58	23.37	50.78	18.92	20.09	21.66	23.29
16.....	36,807,801	16.93	26.29	39.00	19.54	20.67	20.53	21.69
17.....	22,050,272	17.09	25.37	23.25	19.63	20.90	19.63	20.99
18.....	70,016,909	17.27	27.27	47.47	20.00	21.28	22.02	23.49
19.....	127,407,777	17.80	20.17	25.16	19.82	20.83	20.22	21.29
20.....	274,698,603	17.99	24.40	57.64	20.43	21.55	23.73	25.49
21.....	27,815,887	18.34	41.78	54.00	22.52	24.61	23.74	25.99
Total or average.....	1,253,461,925	15.98	25.45	49.83	18.54	19.81	20.95	22.44

*Cost of producing yellow pine, mill run, lumber and timbers, in the States of Mississippi, Louisiana, and Texas, month of June, 1917.*

State and company No.	Production, 1916 (feet b. m.).	Percentage of 1916 production of yellow pine.	Production, June, 1917.	Cost less stumpage and selling.	Cost of stumpage (depletion).	Cost including stumpage but not selling.	Cost of selling.	Total cost including stumpage and selling.
<b>Mississippi:</b>								
1.....	27,763,528	0.0018	2,503,269	\$9.678	\$3.78	\$13.458	\$1.00	\$14.458
2.....	29,299,190	.0019	2,409,796	9.86	4.15	14.01	.07	14.08
3.....	43,400,000	.0028	3,995,167	12.88	4.29	17.17	.06	17.23
4.....	41,639,854	.0028	3,143,282	11.905	2.698	14.603	.189	14.792
5.....	12,277,524	.0008	1,085,819	10.558	4.00	11.558	1.00	15.558
6.....	59,675,310	.0039	3,269,700	10.713	4.79	15.503	.44	15.943
7.....	63,916,839	.0042	3,080,881	13.762	4.038	17.80	.234	18.034
8.....	63,460,938	.0041	4,045,937	12.738	4.55	17.288	.294	17.582
9.....	45,937,128	.0080	3,718,486	9.35	6.00	15.35	.16	15.51
10.....	21,009,088	.0013	1,870,609	8.847	5.949	14.796	.15	14.946
11.....	41,272,660	.0027	3,714,648	12.354	2.76	15.114	.234	15.348
12.....	22,050,272	.0014	1,321,623	11.772	4.32	16.092	1.00	17.092
Total and average..	470,562,331	.0312	34,189,217	11.201	4.277	15.478	.402	15.871
<b>Louisiana:</b>								
1.....	51,364,232	.0036	5,061,624	8.902	3.76	12.662	.585	13.247
2.....	35,192,464	.0023	3,295,207	9.996	3.86	13.856	.535	14.391
3.....	31,317,485	.0020	2,901,830	13.11	3.94	17.05	.535	17.585
4.....	45,350,222	.0030	4,234,317	10.787	4.50	15.287	1.00	16.287
5.....	58,889,935	.0039	5,779,473	11.071	4.51	15.581	1.00	16.581
6.....	70,016,809	.0046	6,609,824	11.778	4.50	16.278	1.00	17.278
7.....	41,851,725	.0027	3,925,079	10.672	4.50	15.172	1.00	16.172
8.....	36,807,801	.0024	3,169,672	11.432	4.50	15.932	1.00	16.932
Total and average..	373,784,613	.0248	31,996,956	10.968	4.258	15.227	.831	16.059
<b>Texas:</b>								
1.....	51,079,020	.0034	5,067,097	9.947	4.5	14.447	1.00	15.447
2.....	27,815,867	.0018	2,595,522	12.847	4.5	17.347	1.00	18.347
3.....	32,076,362	.0021	1,715,183	8.915	5.0	13.915	.948	14.863
4.....	16,237,611	.0011	1,235,081	13.363	3.12	16.483	1.00	17.483
5.....	29,937,617	.0019	2,459,759	11.629	3.95	15.579	1.00	16.579
6.....	52,218,967	.0035	3,477,211	13.764	4.53	18.294	1.00	19.294
7.....	14,056,188	.0009	1,495,764	11.499	3.89	15.389	1.00	16.389
8.....	21,118,610	.0014	1,211,117	17.041	4.26	21.301	1.00	22.301
9.....	16,865,632	.0011	1,296,375	11.625	3.98	15.605	1.00	16.605
10.....	34,515,826	.0023	3,177,329	11.60	4.72	16.32	1.00	17.32
Averages and total.	295,930,820	.0196	23,703,508	12.223	4.245	16.468	.994	17.462

*Cost of producing yellow pine, mill run, lumber and timbers in the States of Mississippi, Louisiana, and Texas, 6 months ending June 30, 1917.*

State and company No.	Production, 1916 (feet b. m.).	Percentage of 1916 production of yellow pine.	Production first 6 months of 1917 (feet b. m.).	Cost less stumpage and selling.	Cost of stumpage (depletion).	Cost including stumpage but not selling.	Cost of selling.	Total cost including stumpage and selling.
<b>Mississippi:</b>								
1.....	27,763,528	0.0018	13,450,551	\$9.969	\$4.246	\$14.215	\$1.00	\$15.215
2.....	29,299,190	.0019	15,714,862	10.60	4.18	14.78	.06	14.84
3.....	43,400,000	.0028	22,650,089	10.456	4.36	14.816	.06	14.876
4.....	41,639,854	.0028	20,276,742	11.66	2.578	14.238	.182	14.42
5.....	12,277,524	.0008	5,807,950	11.81	4.14	15.95	1.00	16.95
6.....	59,675,310	.0039	24,232,040	9.073	4.79	13.863	.521	14.383
7.....	63,916,839	.0042	21,459,251	12.011	4.514	16.525	.521	17.046
8.....	63,460,938	.0041	23,630,310	11.818	5.09	16.908	.568	17.476
9.....	45,937,128	.0030	22,639,229	9.424	6.00	15.424	.072	15.496
10.....	21,009,088	.0013	11,431,741	8.033	5.507	13.54	.15	13.69
11.....	41,202,660	.0027	21,843,385	10.982	2.83	13.762	.219	13.981
12.....	22,050,272	.0014	7,960,601	9.497	4.122	13.619	1.00	14.619
Total and average..	470,662,331	.0312	211,150,751	10.44	4.363	14.803	.452	15.255

*Cost of producing yellow pine, mill run, lumber and timbers in the States of Mississippi, Louisiana, and Texas, 6 months ending June 30, 1917.—Contd.*

State and company No.	Production, 1916 (feet b. m.).	Percentage of 1916 production of yellow pine.	Production first 6 months of 1917 (feet b. m.).	Cost less stumpage and selling.	Cost of stumpage (depletion).	Cost including stumpage but not selling.	Cost of selling.	Total cost including stumpage and selling.
<b>Louisiana:</b>								
1.....	54,364,232	.0036	26,536,680	\$9.33	\$3.76	\$13.09	\$ .585	\$13.675
2.....	35,192,464	.0023	20,482,735	9.245	3.77	13.015	.588	13.603
3.....	31,317,485	.0020	17,220,446	10.426	4.00	14.42	.536	14.962
4.....	45,350,222	.0030	24,358,217	10.093	4.50	14.593	1.00	15.593
5.....	58,880,935	.0039	30,754,175	11.321	4.50	15.821	1.00	16.821
6.....	70,016,809	.0046	39,893,369	10.654	4.50	15.154	1.00	16.154
7.....	41,854,725	.0027	23,138,800	10.06	4.50	14.56	1.00	15.56
8.....	38,807,801	.0024	17,812,387	11.790	4.50	16.290	1.00	17.290
Total and average..	373,784,673	.0248	197,196,809	10.366	4.25	14.619	.839	15.45
<b>Texas:</b>								
1.....	51,089,021	.0034	27,425,074	10.69	4.50	15.19	1.00	16.19
2.....	27,815,867	.0018	15,762,243	12.067	4.50	16.567	1.00	17.567
3.....	32,076,362	.0021	16,217,939	6.747	5.00	11.747	.967	12.714
4.....	16,237,611	.0011	6,960,164	12.737	4.13	16.867	1.00	17.867
5.....	29,937,617	.0019	14,981,295	10.973	4.38	15.353	1.00	16.353
6.....	52,218,087	.0035	28,481,929	10.467	4.23	14.697	1.00	15.697
7.....	14,056,188	.0009	8,215,198	10.366	3.65	14.016	1.00	15.016
8.....	21,118,610	.0014	6,941,632	14.876	4.14	19.016	1.00	20.016
9.....	16,865,632	.0011	8,769,472	9.493	3.83	13.323	1.00	14.323
10.....	34,515,826	.0023	19,732,868	10.918	4.223	15.141	1.00	16.141
Total and average..	295,930,820	.0196	153,487,824	10.933	4.258	15.192	.997	16.19

*Douglas fir production—Estimated investment per 1,000 board feet and suggested prices, arranged in order of costs, May, 1917.*

Company No.	Production May, 1917 (feet b. m.).	Cost per 1,000 feet board measure.	Estimated investment per 1,000 board feet produced May, 1917.		Suggested prices based on total assets, less stumpage.		Suggested prices based on capital stock, bonds, and surplus, and outside securities.	
			Assets, less stumpage.	Stock, bonds, and surplus.	Cost, plus 10 per cent on estimated investment.	Cost, plus 15 per cent on estimated investment.	Cost, plus 10 per cent on estimated investment.	Cost, plus 15 per cent on estimated investment.
1.....	4,766,960	\$13.40	\$14.63	\$10.11	\$14.85	\$15.59	\$14.41	\$15.15
2.....	13,214,030	13.72	18.76	32.51	15.00	16.54	16.97	18.09
3.....	4,896,150	13.80	10.67	9.28	14.87	15.40	14.73	15.27
4.....	6,332,441	15.09	29.95	33.43	18.09	19.58	18.43	20.01
5.....	4,195,375	15.45	10.93	44.51	16.54	17.09	19.90	20.45
Total and average.....	33,404,946	14.15	22.65	34.49	16.41	17.54	17.69	18.82

## SOUTHERN-PINE GROUP.

*Cost of producing long and short leaf yellow pine, mill-run, lumber in the States of Alabama, Arkansas, Louisiana, Mississippi, and Texas for the month of January, 1918.*

State and company No.	Production mill cut (feet b. m.).	Total cost manufacturing.	Average cost of manufacturing.	Stump age.	Manufacturing and stumpage.	Selling.	Total manufacturing, stumpage and selling.	Average selling price per thousand.	Profit per thousand.
<b>Alabama:</b>									
1.....	3,914,000	\$54,111.72	\$13.32	\$5.86	\$19.68	\$0.69	\$20.37	\$28.60	\$8.28
2.....	3,960,642	60,130.96	15.11	4.00	19.11	.10	19.21	17.15	2.06
Total and weighted average...	7,894,642	114,242.67	14.47	4.92	19.39	.39	19.78	20.33	.55
<b>Arkansas:</b>									
1.....	1,024,182	21,867.42	21.35	.82	22.17	.66	22.83	27.00	4.17
2.....	5,076,679	92,462.16	18.22	5.00	23.22	.....	23.22	24.72	1.50
3.....	1,136,777	25,515.51	22.45	.84	23.29	.90	24.20	27.61	3.33
4.....	2,625,156	20,252.33	11.14	1.37	12.51	.76	13.27	28.15	14.65
Total and weighted average...	9,862,794	160,127.42	17.15	3.12	20.27	.79	20.66	26.29	5.55
<b>Louisiana:</b>									
1.....	5,434,396	57,705.46	10.78	4.16	14.94	.39	15.33	27.58	12.20
2.....	2,826,494	20,999.37	10.38	4.78	15.16	.....	15.16	24.74	9.58
3.....	4,665,926	40,063.73	8.58	5.37	14.15	.34	14.60	26.33	11.64
4.....	15,170,051	237,562.37	12.65	3.08	18.74	.60	19.34	26.06	6.72
5.....	10,743,337	107,578.31	10.01	5.98	15.99	1.24	17.23	31.51	14.28
6.....	10,421,313	110,126.63	10.65	5.35	14.02	.40	14.42	26.35	11.93
7.....	2,068,066	28,430.25	13.75	8.00	21.75	.08	21.83	.....	.....
8.....	2,993,705	45,217.15	14.44	3.32	17.76	.70	18.46	23.80	5.34
9.....	2,076,449	26,906.60	13.01	5.00	18.01	.42	18.43	25.94	6.61
10.....	8,912,923	76,539.70	8.59	5.30	13.88	.57	14.45	23.71	9.26
11.....	2,977,535	38,113.83	12.80	4.16	16.96	.33	17.29	26.54	9.25
12.....	3,652,642	35,217.96	9.64	5.32	14.96	1.10	16.06	24.61	8.55
Total and weighted average...	72,004,844	631,470.30	11.54	4.48	16.06	.66	16.66	26.67	10.01
<b>Mississippi:</b>									
1.....	5,774,563	70,325.76	12.16	6.34	18.52	.47	18.99	23.23	4.34
2.....	3,771,889	46,771.23	12.40	4.25	16.65	.23	16.88	21.77	4.89
3.....	2,167,070	23,202.13	10.70	4.76	15.46	.13	15.59	23.60	8.01
4.....	6,515,460	50,242.71	9.11	4.92	14.03	.47	14.50	26.69	12.19
5.....	1,989,438	23,367.93	11.69	7.00	18.69	.43	19.12	23.23	9.11
6.....	1,530,066	14,467.91	9.36	4.70	13.96	.37	14.33	25.54	11.22
7.....	3,375,307	54,369.97	14.91	5.44	20.35	.65	21.00	23.18	7.18
8.....	4,068,978	57,413.21	13.33	5.74	19.09	.65	19.72	26.87	7.15
Total and weighted average...	28,134,234	340,005.94	11.88	3.43	17.30	.45	17.75	25.41	7.06
<b>Texas:</b>									
1.....	2,619,947	22,443.43	8.57	5.60	15.57	.45	16.02	24.68	10.06
2.....	1,107,714	12,710.92	11.47	3.26	14.73	1.00	15.73	29.00	14.07
3.....	1,078,214	15,008.09	13.92	5.30	19.42	1.00	20.42	27.90	7.28
4.....	1,394,066	23,567.95	16.91	4.44	21.35	1.00	22.35	30.25	7.90
5.....	2,542,370	22,161.51	12.65	6.12	18.77	1.10	19.87	24.84	4.97
Total and weighted average...	8,742,341	105,894.90	12.11	5.08	17.19	.86	18.03	26.61	8.58
Weighted average, all companies.....	126,638,855	1,560,741.12	12.32	4.62	16.94	.62	17.51	25.86	8.35

*Cost of producing long and short leaf yellow pine, mill-run, lumber in the States of Alabama, Arkansas, Louisiana, Mississippi, and Texas for the month of January, 1918—Continued.*

State and company No.	Production mill cut (feet b m.).	Total cost manufacturing.	Average cost of manufacturing.	Stampage.	Manufacturing and stumpage.	Selling.	Total manufacturing, stampage, and selling.	Average price per thousand.	Profit or loss.
Other companies received late:									
1.....	\$1,932,556	\$21,272.92	\$11.00	\$0.60	\$11.60	\$0.39	\$11.99	\$19.68	\$7.69
2.....	1,348,560	17,390.16	12.89	6.80	19.69	.73	20.42	25.44	5.75
3.....	1,160,270	12,463.44	10.74	4.16	14.90	.39	15.29	21.43	6.24
4.....	2,120,006	46,603.93	21.51	4.73	26.24	.54	26.78	25.54	1.24
5.....	4,885,983	53,610.10	10.98	5.16	16.16	.90	17.06	25.97	8.81
6.....	3,993,577	37,976.04	9.51	4.17	313.68	.90	14.58	26.61	12.03
7.....	1,338,663	22,627.78	16.90	3.00	19.90	.....	19.90	19.06	0.84
8.....	1,947,187	27,964.30	14.36	1.89	16.25	.82	17.07	26.98	9.71
Total and weighted average...	18,226,802	238,908.67	12.71	4.00	16.71	.74	17.43	24.64	7.21

<sup>1</sup> Loss.

MR. CHANTLAND. I now wish to offer in evidence a letter of transmittal and contract with the Crane Construction Co. for the furnishing of all plumbing supplies for all of the Government emergency constructions, which I wish to have marked "Exhibit N. L. K. No 1109."

(The documents above referred to are printed in the record in full, as follows:)

CRANE CO.

Washington, D. C., October 13, 1919.

HON. JOHN C. MCKENZIE,

Washington, D. C.

DEAR SIR: In accordance with your subpoena of October 10, 1919, you will find attached copy of original proposal, dated June 21, 1917; copy of original supplemental proposal, dated June 28; copy of original acceptance by the Quartermaster Corps, War Department, June 29, 1917.

When quotation of June 21, 1917, was submitted it was found to contain wording which was not considered by the Quartermaster Corps at that time essential, and we were then requested verbally to submit a more condensed quotation than that of June 21, 1917. In accordance with this request the wording of this quotation was condensed as per copy attached of June 26. Prices, however, were not changed.

If it is your wish to secure the original letter of acceptance, dated June 29, 1917, this has been filed with correspondence to the Auditor of the Treasury Department, Washington, D. C. With this original was filed a copy of the proposal. We, of course, are not in a position to furnish you with the original proposal, inasmuch as this was forwarded to the Quartermaster Corps, War Department.

We trust that the papers submitted will answer the purpose for which they are required.

Yours, truly,

CRANE CO.,  
C. P. L. MORAN,  
Local Manager.



WAR DEPARTMENT,  
OFFICE OF THE QUARTERMASTER GENERAL OF THE ARMY,  
Washington, June 29, 1917.

No. 617.6-CR-MT (General).

From: Officer in charge of cantonment construction.

To: Crane Co., 1221 Eye Street NW., Washington, D. C.

Subject: Confirmation of agreement on plumbing materials.

1. Your letter of June 28, submitting proposition for handling materials for plumbing required inside of buildings for the 16 cantonments to be erected in the various parts of the United States for the National Army is acknowledged.
2. This office wishes to notify you that your proposition is accepted.

By authority of the Secretary of War.

I. W. LITTELL,  
Colonel, Quartermaster Corps,  
In Charge of Cantonment Construction.

R. E. HAMILTON,  
Major, Quartermaster Reserve Corps.

JUNE 28, 1917.

Maj. R. E. HAMILTON,  
United States Reserve Corps,  
War Department, Office of the Quartermaster Corps, Washington, D. C.

GENTLEMEN: We respectfully submit the following proposition in connection with the furnishing of all material for plumbing in the 16 cantonments to be erected in various parts of the United States for the National Army.

We will furnish all plumbing goods and roughing materials of every nature for installation of plumbing complete inside the various buildings upon the following terms:

Goods will be secured by us from various reputable manufacturers, who will make the desired shipments at the minimum prices. We have obtained competitive bids from the various manufacturers; low bids to be accepted subject to the approval of your office. We to furnish such goods as manufactured by us in accordance with our proposal of June 21, which we guarantee to be as low in price, if not lower than any competitive bids received, based on equal quality and construction. All materials are to be invoiced to the contractors for the respective cantonments as agents for the United States Government, payments to be made within 30 days from date of invoice and bill of lading; we allowing 2 per cent cash for payment of invoices 10 days from date. For labor of mobilizing, handling, assembling, and shipping of materials, we will be paid a commission of 5 per cent on the net cost of the materials.

In event that it should become necessary, and we are instructed by the War Department or their agents (the contractors), to furnish any materials from any of our branch house stock, we are to receive for same 20 per cent beyond the current cost price of the goods, f. o. b. the branch on the date of the receipt of the order.

All materials are to be bought f. o. b. shipping point and shipped at the Government rate of freight, we not to advance any carrying charges.

It is understood that the Crane Co. will not be responsible for shortages and breakage in transit. In behalf of the Government, we will take up with the manufacturer any shortages claimed, or in case of breakage with the transportation company; all shipments to be carefully checked at destination before receipt given transportation company, contents to be checked promptly on receipt of goods.

Yours very truly,

CRANE CO.,  
Per W. H. FRANKLIN,  
Manager Government Department.

## CANTONMENT BUILDINGS AND VARIOUS CAMPS, WAR DEPARTMENT.

WASHINGTON, D. C.

June 21, 1917.

Maj. R. E. HAMILTON,

*United States Reserve Corps,**War Department, Office of the Quartermaster Corps, Washington, D. C.*

GENTLEMEN: By instructions from the management of Crane Co., Chicago (a corporation existing under the laws of the State of Illinois), we submit the following quotation, which makes void all previous quotations. Owing to constant increased cost of raw material and manufacturing, we are forced to make this quotation subject to prompt acceptance; withdrawal (if found necessary) 10 days from date without notices.

This quotation covers the supplying of all materials of every nature required (consisting of plumbing goods and roughing materials), in connection with the installation of all plumbing inside of buildings and to a point 5 feet beyond building wall; all screwed pipe, valves, and fittings, etc., in connection with the water-supply system (other than that furnished and installed by cities or towns where camps are located), for the 16 cantonment camps, and such additional camps which may be established and located throughout the United States.

Owing to the quantity of material required, the extreme scarcity thereof, and the constant increasing prices, it is advisable that no further time be lost in placing the entire order for all materials required. Many of the manufacturers will be forced and have figured on manufacturing a vast quantity of the goods on receipt of our order.

The entire order, subject to 10 per cent plus or minus, is to be placed by the War Department, Office of the Quartermaster Corps, with us as early as possible; and we in turn to place these orders for the entire requirements with the manufacturers (whose copies of quotations and quantities were mailed to you), and with our manufacturing plants for all material manufactured by Crane Co.

It is herewith agreed that the United States Government will make payment in 30 days from date of invoices (invoices to bear the date of the original bill of lading indicating shipment), we to submit to the War Department, Office of the Quartermaster General, our invoices in duplicate, attaching thereto a carbon copy of the manufacturers' invoice, original bill of lading, and duplicate memorandum of shipment. If you deem advisable, one copy of our invoice and memorandum of shipment should be forwarded to the contractor, so as to properly check up the shipments to be made to various points on instructions given us by the Quartermaster Corps, and shipments to go forward in such form of bill of lading as the Quartermaster Corps deem advisable and so instructs us.

Owing to the extremely low prices quoted on Crane Co. manufactured goods the prices being based on the entire quantity required, and the small percentage named below for handling the jobbed goods, we are to be relieved of inspection, claims for shortages, giving of bond, or breakage in transit. We do not anticipate from our large experience, when dealing with reputable manufacturers, that there will be any trouble in this respect. In event of inspection at factory is deemed advisable, it is to be made by a Government representative. We have samples of various manufacturers' products, on which they have quoted, in our warehouse in this city, which can be inspected by the official which the Quartermaster Corps may designate. The only item on which inspection would be liable to be necessary would be that of the closet bowls and vitreous tanks. We do not deem this necessary, based on the many thousands which we purchase for our requirements. We have never inspected the goods at potteries. All pottery concerns have practical potters who inspect the finished product, and practical mounters who test the goods before shipment.

In event it should become necessary and we are instructed by the War Department, Office of the Quartermaster Corps, to furnish any materials from any of our branch house stocks we are to invoice at prices 20 per cent beyond the current cost price of goods f. o. b. the branch, on the date of the receipt of the order.

On all purchased goods (other than Crane manufactured product quoted below) we to be allowed 5 per cent handling charge on the total net amount of manufacturers' invoice. Shipments to be made from mills or factories (at

less otherwise instructed from our branch house stocks). It is further agreed that as all manufacturers are quoting f. o. b. point of shipment, including Crane manufactured goods, we are not to be required to prepay or advance any freight or carrying charges.

Important: We have in stock at our Vancouver, British Columbia, branch some 126,000 feet 2-inch medium (Scotch manufactured) soil pipe, and about 10,000 assorted fittings, which we are very desirous of disposing of, owing to enormous decrease in business for the past two years. We will furnish this pipe (which will work and fit the standard pipe and fittings required for these improvements) at a special discount of: Pipe, 32½, 10, 10 per cent; fittings, 28, 10, 10 per cent (f. o. b. cars, Vancouver, British Columbia). No additional handling charge. This material can readily be used at the American Lake, Wash., camp, and save the Government considerable money in freight charges on material from foundries, as well as securing the goods promptly.

*Wrought-steel pipe, carload mill shipments.*

	Black.	Galvanized.
½-inch, discount.....	53, 5, 2½ per cent ..	39, 5, 2½ per cent.
½-inch to and including 3-inch.....	56, 5, 2½ per cent ..	43, 5, 2½ per cent.

*Crane manufactured product.*

	Net, each.
½ inch, No. 836 corporation cocks.....	\$0.58
¾ inch, No. 836 corporation cocks.....	.85
½ inch, No. 20 check valves.....	.47
¾ inch, No. 20 check valves.....	.59
1½ inches, No. 20 check valves.....	1.16
1½ inches, No. 20 check valves.....	1.62
¾ inch, No. 440 gate valves.....	.97
1 inch, No. 440 gate valves.....	1.32
1½ inches, No. 440 gate valves.....	1.75
1½ inches, No. 440 gate valves.....	2.86
2 inches, No. 440 gate valves.....	3.45
¾ inch, No. 440½ gate valves.....	1.24
1 inch, No. 440½ gate valves.....	1.69
1½ inches, No. 440½ gate valves.....	2.24
1½ inches, No. 440½ gate valves.....	3.02
2 inches, No. 440½ gate valves.....	4.41
¾ inch, No. 440 gate valves with lock shield.....	1.06
Brass keys (for ¾ inch, No. 440 L. & S. gates).....	.10
¾ inch, No. 521½ rough brass unions.....	.32½
¾ inch, No. 521½ rough brass unions.....	.436
¾ inch, No. 1144 Pop. safety valves.....	2.55
1 inch, No. 1144 Pop. safety valves.....	2.98
1½ inches, No. 1144 Pop. safety valves.....	3.60
¾ inch, No. 2 angle valves.....	.61
¾ inch, No. 806 T handle stop and wastes.....	.72
1 inch, No. 806 T handle stop and wastes.....	1.00
1½ inches, No. 806 T handle stop and wastes.....	1.53
1½ inches, No. 806 T handle stop and wastes.....	2.30
¾ by ¾ by 1 inch, No. 586 galvanized boiler fittings.....	.15
¾ by ¾ by 1 inch, No. 589 galvanized boiler fittings.....	.15
¾ inch, No. 519 galvanized R. R. unions.....	.17
1½ inches, No. 519 galvanized R. R. unions.....	.227
1½ inches, No. 519 galvanized R. R. unions.....	.34
1½ inches, No. 519 galvanized R. R. unions.....	.454
Class A galvanized malleable fittings <sup>1</sup> .....	.857
Class B galvanized malleable fittings <sup>1</sup> .....	.171
Class C galvanized malleable fittings <sup>1</sup> .....	.115
¾ inch, galvanized close and short nipples.....	.017
¾ inch, galvanized long nipples.....	.081

<sup>1</sup> Net per pound.

	Net, each
$\frac{1}{2}$ inch, galvanized close and short nipples.....	\$0.022
$\frac{1}{2}$ inch, galvanized long nipples.....	.0389
1 inch, galvanized close and short nipples.....	.03
1 inch, galvanized long nipples.....	.053
1 $\frac{1}{2}$ inches, galvanized close and short nipples.....	.0472
1 $\frac{1}{2}$ inches, galvanized long nipples.....	.0886
1 $\frac{1}{2}$ inches, galvanized close and short nipples.....	.0583
1 $\frac{1}{2}$ inches galvanized long nipples.....	.0971
2 inches galvanized close nipples.....	.0759
2 inches galvanized long nipples.....	.1396
Black $\frac{1}{2}$ inch to 3 inches cast-iron screwed fittings, discount.....	.53
Black $\frac{1}{2}$ inch to 3 inches cast-iron flange unions, discount.....	.55
2 inches, No. 460, standard iron body gate valves, with wheel or square head on stem.....	4.15
2 $\frac{1}{2}$ inches No. 460, standard iron body gate valves, with wheel or square head on stem.....	4.75
3 inches, No. 460, standard iron body gate valves, with wheel or square head on stem.....	5.75

Yours, very truly,

CRANE CO.  
W. H. FRANKLIN.

Manager Government Department.

Mr. CHANTLAND. I now wish to offer in evidence a page from the Price Fixing Bulletin, "Market prices of commodities under control. Building Materials," November, 1916, No. 6, from the price section. Division of Planning and Statistics, War Industries Board, and ask to have it printed in the record.

It shows the range in prices of all building materials in a combined list for 1916, as well as several other commodities. I wish it to be known as Exhibit N. L. K. 1110.

(The chart referred to above faces this page.)

Mr. CHANTLAND. We next offer in evidence the letters referred to by Admiral Harris, in his letter to the chairman of this committee, printed at page 1145 of the record, with the statement that as the committee understood it, the committee on standardizing percentage contracts, referred to in the memorandum of Commander C. D. Thurber, was the interdepartmental committee that was considering the contracts. We desire to have printed both the memorandum and the report attached from the Bureau of Yards and Docks, signed by Admiral Harris, and sent to the committee on emergency construction of buildings and engineering work. We desire these to be identified as Exhibits N. L. K. 1111, and N. L. K. 1112, respectively.

(The documents referred to above are copied in the record in full as follows:)

#### EXHIBIT N. L. K. No. 1111.

MAY 5, 1917

#### Memorandum for files.

Notes on meeting before the committee on standardizing percentage contracts held at 10 o'clock a. m. in the State, War, and Navy Building, Friday, May 4, 1917.

1. The following principal matters were discussed in this meeting: (a) The amount of percentage and the matter of penalty under contracts; (b) The matter of subcontractors' percentage. It seemed to be the general consensus of opinion that in view of the fact that only contractors of every high grade, large experience and full equipment, are to be called on for such contracts, it was unwise to arrange for a penalty. It seemed to be felt that it was

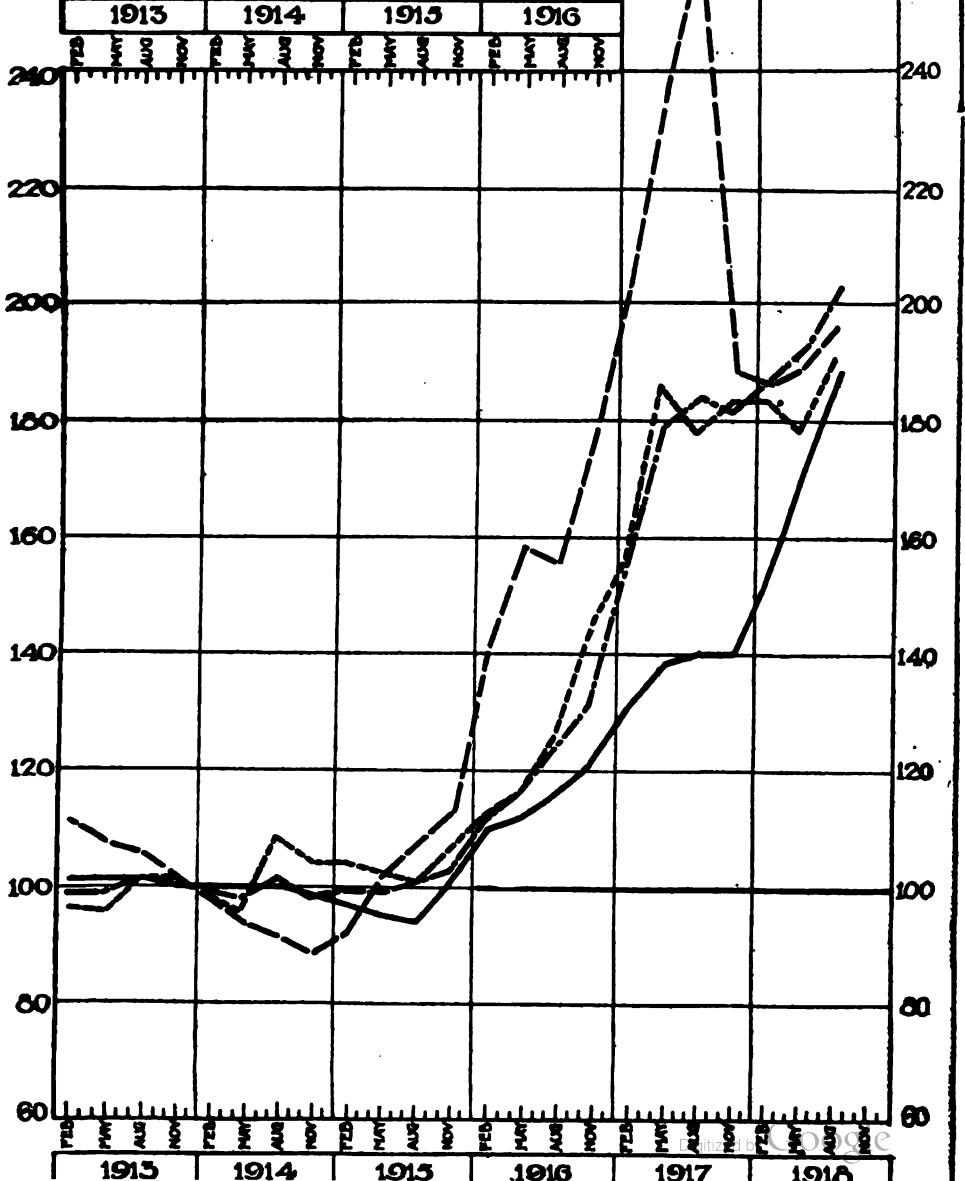
COMPARISON  
OF OUR  
**BUILDING MATERIALS**  
(OTHER THAN LUMBER)  
**INDEX NUMBER**  
WITH OTHER GROUPS  
FROM

BUREAU OF LABOR STATISTICS  
BY QUARTERS

FIRST QUARTER, 1913 - CURRENT QUARTER, 1916

- BUILDING MATERIALS  
- - - - ALL COMMODITIES  
- - - - METAL & METAL PRODUCTS  
- - - - FOOD

AVERAGE PRICES JULY 1913 TO JUNE 1914 = 100



the contractor's advantage to complete the work as early as possible and thus be able to apply his plant to other work; and that the onus of failure to complete the work on time or the possible cancellation of the contract was sufficient incentive to any reputable contractor to expedite and complete the work in the time agreed.

2. With regard to percentages on subcontract work the argument was presented that at best the payment to a contractor on the basis of percentage is an illogical manner of payment, and that when we attempt to differentiate between one part of the contract cost and another part of the contract cost, we are reasoning on a false basis and further complicating the handling of the work. It seemed to be the consensus of opinion that percentages should be paid as follows:

	Per cent
For work up to \$100,000.....	10
For work up to \$250,000.....	8
For work up to \$500,000.....	7½
For work which exceeds \$500,000.....	7

C. D. THURMAN

EXHIBIT N. L. K. No. 1112.

MAY 7, 1917.

From: Bureau of Yards and Docks.

To: Committee on Emergency Construction of Buildings and Engineering Works.

Subject: Comment on recommendations of the above committee relative to uniform contracts on the basis of cost-plus percentage.

Reference: Report of the Committee on Emergency Construction of Buildings and Engineering Works to the Council of National Defense, dated May 3, 1917.

1. The bureau concurs in general with the conclusions reached and the recommendations made by the Committee on Emergency Construction of Buildings and Engineering Works as contained in the above-referenced report of the Committee to the Council of National Defense. It might be stated that the bureau has already made a number of emergency percentage contracts.

2. The bureau is unable to agree, however, in the recommendations of the committee in regard to (a) the omission of damages for delay under these contracts, (b) the payment of the full percentage on subcontract work, and (c) the amount of the bond.

(a) *Liquidated damages for delay.*—The most important element in all such contracts under this bureau, and presumably under other departments, is the element of time. This element of time is in most cases more important than the element of cost. If no penalty or assessment of liquidated damages for delay is provided in the contract the Government will have no redress against the contractor who is dilatory, except that of cancellation of the contract, and this redress is unsatisfactory in that it would result in further delay. The provision for assessment of damages for delay is considered most important. Unless such penalty is provided there will be every incentive for a contractor to name a time of completion shorter than the conditions justify, with the hope of thereby securing more favorable consideration than that of his more conscientious competitor, and after the award of the contract taking advantage of the difficulty which the Government would experience in canceling the contract and reletting the same in case of unsatisfactory progress. The bureau feels constrained to emphasize the importance, from its point of view, of the inclusion of a suitable clause which will provide for a fairly heavy penalty for delay.

In this connection it is to be borne in mind that in the great majority of contracts under the cognizance of this bureau the character and extent of the work are fairly definitely known, and therefore the element of risk in naming a satisfactory time of completion in advance is largely eliminated.

It has been the custom of this bureau on lump-sum or unit-price work to stipulate a penalty representing a fair rental value of the structure, and in comparing bids in competition to take the lowest time offer and evaluate and prepare other bids by adding to each price bid an amount representing the additional time bid on at per diem penalty. On all of these contracts where expedition is desired a bonus is being offered, in some cases in excess of the penalty, while on the percentage emergency contracts a penalty is being called for and no bonus is being offered, because the cost of expediting is paid for by the Government, represented in the cost of the work, and therefore no further

Incentive would appear necessary. \* The principal element justifying the Government in making emergency contracts on a cost-plus percentage basis is the time element, so that in this bureau's opinion where a contractor obtaining an emergency contract does not deliver the work within the time he should be deprived in part and proportion to his profit if he failed to live up to the really essential and competitive part of the contract.

(b) *Subcontracts.*—It is considered advisable to recommend a lower percentage for subcontract work than that suggested by the committee. On many of the contracts under the cognizance of the bureau, a contractor would secure an unduly high payment in proportion to the organization and plant involved if the full percentage is allowed on subcontract work. For example, on several of the contracts under the cognizance of this bureau for emergency construction of buildings, the proportional part of subcontract work will run as high as from 75 to 85 per cent of the total amount of money involved. This high percentage of subcontract work is explained by the fact that many of the buildings are of the steel factory type, involving a very large proportional cost for structural steel. Ordinarily, such structural steel would be subject by the principal contractor to a large steel concern, such as the American Bridge Co., or the McClintic-Marshall Co., which subcontract would include fabrication and erection of the steel at the site. It is evident that on a job of this character, payment of 10 per cent in full to the principal contractor would be excessive, and as a proof that this is so on all unit-price work that has been let, the addition to the price of, say, structural steel, a large element of subcontract work, is never as high as 10 per cent. In fact, it is usually from 1 to 3 or 4 per cent. The bureau would be willing to allow 5 per cent on subcontract work, but on any percentage above this would separate its contracts, especially for structural steel erected. In the same way for the reason given, on this bureau's work 10 per cent is considered a reasonable profit on all work done by the contractor irrespective of the amount involved on account of the clause which allows him only 5 per cent on work that he does not perform, but only acts as broker or manager thereon.

(c) *Amount of bond.*—Under paragraph 12 the committee recommends that the amount of the bond shall be equal to the estimated greatest amount of the work that the contractor would perform in any one month. The bureau is not inclined to believe that a bond other than a personal bond given by the contractor either as an individual or a company, if the legal restrictions of the statutes will permit, should be required under percentage contracts, and there would appear to be no reason for a bond requiring faithful performance of work because in reality the work is being performed and paid for as it is performed. It is being done at Government expense, the contractor receiving a percentage on the cost of management and organization. On such a contract a bond would mean nothing other than an assurance that if the contractor who had been bonded failed or discontinued on the work the bonding company or some other contractor would complete it, being paid for such work as he performed plus his percentage, all of which work had been passed on and certified to by the Government's agent. As regards the other feature of the statutory bonding requirement assuring payment to the subcontractors, labor and material men, in view of the fact that payment to the contractor is only made when certified receipted vouchers are submitted showing the contractor himself has made the payment for labor, material, or to subcontractors, it would appear that all of these are more fully and directly safeguarded than under any system guaranteeing such payments by a surety bond. In fact, in requiring a bond and entering the cost of such a bond in the cost of the work it would appear that the Government is paying for a proportion that is unnecessary, of no value, and for which no adequate service or return by a bond is being rendered. In its future emergency contracts this bureau expects, with the co-operation of the Solicitor of the Navy Department, to make unnecessary the writing of a surety company bond.

HARRIS.

Mr. CHANTLAND. We now offer in evidence a telegram from Col. Case, camp quartermaster at Camp Sherman, Ohio, dated December 5, 1917, and the answering telegram of Gen. Littell, dated December 7, 1917, requesting and allowing an appropriation for \$50,000 for the rifle range at Camp Sherman. We wish these to be marked "Exhibits N. L. K. No. 1113, and N. L. K. No. 1114."

(The exhibits above referred to are printed in the record, as follows:)

## EXHIBIT N. L. K. No. 1113.

DECEMBER 5.

Government.

Camp Sherman.

Littell, in charge cantonment construction, Washington, D. C.

Reference telegram to construction quartermaster dated November 2 relative to turning over rifle range to camp quartermaster not to be added to Bentley contract. Request the \$50,000 allotted for this purpose be placed to credit of camp quartermaster without delay. Work is being done and money required for settlement of standing accounts.

CASE, *Camp Quartermaster.*

## EXHIBIT N. L. K. No. 1114.

DECEMBER 7, 1917.

Quartermaster Corps.

CAMP QUARTERMASTER,

*Camp Sherman, Chillicothe, Ohio:*

Fifty thousand dollars under appropriation shooting galleries and ranges were transferred to construction quartermaster October 18. Confer with him in connection therewith and your telegram 5th instant.

LITTELL,

*In Charge of Cantonment Construction.*

Mr. CHANTLAND. We next offer in evidence General Order No. 49, War Department, dated April 28, 1917, together with a letter referring to the same from Col. Evan Shelby, of the Construction Division, and accompanied with the statement that at the hearing of the House of Representatives June 26, 1919, serial 1, part 4, at page 44, this order seems to have still been in force and unrevoked.

We desire to have this inserted in the record as Exhibits "N. L. K. No. 1115" and "N. L. K. No. 1116," respectively.

(The exhibits above referred to above are printed in the record as follows:)

## EXHIBIT N. L. K. No. 1115.

General Orders, No. 49.

WAR DEPARTMENT.

*Washington, April 28, 1917*

I. The following War Department orders are published to the Army for the information and guidance of all concerned:

WAR DEPARTMENT.

*Washington, D. C., April 12, 1917*

Orders:

1. It is hereby declared that an emergency exists within the meaning of section 3709, Revised Statutes, and other statutes which except cases of emergency from the requirement that contracts for and in behalf of the Government shall only be made after advertising, as to all contracts under the War Department for the supply of the War Department and the supply and equipment of the Army and for fortifications and other works of defense; and until further ordered such contracts will be made without resort to advertising for bids - the letting of the same.

2. Where time will permit, information will be given to the munitions board constituted by the National Council of Defense, through the supply bureaus' representative, of orders to be made for supplies, with the view of assistance from the board in placing the orders and in order that the supply of the War Department may be coordinated with those of the Navy and executive departments and secured at prices not in excess of those paid by other departments.

3. It is to be understood, however, that the responsibility of the several supply bureaus for promptly supplying the needs of the Army must be recognized: as



where time will not admit of the delay involved in consulting the munitions board the supply bureaus will retain their present initiative in contracting without reference to the board.

NEWTON D. BAKER, *Secretary of War.*

II. 1. Officers and enlisted men sick in hospital on the last day of the month may be mustered by the surgeon; those on guard and in confinement on the last day of the month may be mustered by the officer of the day. In such cases the surgeon and the officer of the day, respectively, will furnish the officers designated to muster companies and detachments with lists of the names of officers and enlisted men mustered by them.

Detachment muster rolls are not required for officers and enlisted men mustered by the surgeon or the officer of the day under the provisions of this order.

2. Enlisted men at subposts or on outposts or other duty may be mustered by telephone when it is impracticable for them to report in person to the mustering officer. In such cases the stations and duties of the men on the date of muster, and the words "Mustered by telephone," will be entered in the column for Remarks.

III. The following instructions regarding uniforms will be complied with during the continuance of war conditions:

1. Officers: Full-dress uniform, special evening dress, blue mess jacket and white mess jacket will not be required, except as indicated to the contrary in the Tables of Occasions. (White House, page 60, Uniform Regulations, 1914.)

2. Enlisted men: Dress uniform, full-dress uniform, and service caps will not be required.

By order of the Secretary of War:

H. L. SCOTT,  
*Major General, Chief of Staff.*

Official:

H. P. MCCAIN, *The Adjutant General.*

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EXHIBIT N. L. K. No. 1116.

WAR DEPARTMENT,  
OFFICE OF THE CONSTRUCTION DIVISION OF THE ARMY,  
Washington, D. C., October 4, 1919.

Hon. JOHN C. MCKENZIE,

*Chairman Subcommittee No. 2,*

*House of Representatives, Washington, D. C.*

MY DEAR SIR: Your letter of September 24 to the Secretary of War asking that your committee be advised whether General Order No. 49 of April 12, 1917, was intended to and did cover the construction of camps and cantonments, has been referred to this office for reply.

You are advised that General Order No. 49 of April 12, 1917, did apply to the original construction of the camps and cantonments. That order has now been superseded by the act approved July 9, 1918 (Public No. 193, 65th Cong., H. R. 1228), page 37.

No order modifying the General Order No. 49 of April 12, 1917, has been issued.

Very respectfully,

EVAN SHELBY,  
*Colonel, Quartermaster Corps, Acting Chief of Construction Division.*

Mr. CHANTLAND. We next offer in evidence extract from Army Regulations, No. 59, dated August 10, 1917, which is still a part of the Army regulations of the United States Army, and ask to have it printed.

(The article referred to is printed in the record in full, as follows:)

521. No person in the military or civil service under the War Department will act as an agent of the United States in advising, recommending, making, or approving the purchase of supplies or other property, or the procurement

of services for the Military Establishment, or in contracting with respect thereto, under which purchase, procurement, or contract he would be admitted to share or receive, directly or indirectly, any pecuniary profit or benefit. If such person finds that his duties require him to act as agent of the United States in a matter from which he may derive financial profit, he will report the facts immediately to proper authority and will be relieved from such duties. (G. A. R. No. 59. Aug. 10, 1917.)

Mr. CHANTLAND. We next desire to offer in evidence section 41 of the Criminal Code of the United States, which is as follows:

(The section referred to is printed in the record in full, as follows:)

SEC. 41. No officer or agent of any corporation, joint-stock company, or association, and no member or agent of any firm, or person, directly or indirectly interested in the pecuniary profits or contracts of such corporation, joint-stock company, association, or firm, shall be employed or shall act as an officer or agent of the United States for the transaction of business with such corporation, joint-stock company, association, or firm. Whoever shall violate the provision of this section shall be fined not more than \$2,000, and imprisoned not more than two years. (The Criminal Code of the United States.)

Mr. CHANTLAND. We next offer in evidence a letter from the counsel of Subcommittee No. 2 of the Select Committee on Expenditures in the War Department, Mr. Chantland, addressed to Henry V. Erickson & Sons Co., 139 North Clark Street, Chicago, Ill., under date of November 29, 1919, and states that it is the letter identical with one sent to D. W. McGrath & Sons, general contractors, building construction, Columbus, Ohio.

The letter to Mr. Erickson we desire to have made "Exhibit N. L. K. No. 1117."

(The letter above referred to is printed in the record as follows:

#### EXHIBIT N. L. K. No. 1117.

Will you kindly furnish for the use of Subcommittee No. 2 of the Select Committee on Expenditures in the War Department the following information as to your work under the contract to construct the cantonment at Camp Grant, Rockford, Ill.:

First. Names and positions occupied previous to beginning said contract by each person in your company or in your employment, salaries paid to each annually for the last three years prior thereto, covering every person who had been previously connected with your company who was engaged in work in the construction of Camp Grant under your contract there, in a managerial, directing, or supervising capacity.

Second. Capacity in which each of the above acted at Camp Grant, the duties in such capacity, salary paid, by whom paid; whether finally by the United States on a pay roll (and not out of the fee allowed contractor) whether entirely by Henry B. Bricson & Sons Co.; if paid from both sources state how much from each; amount of time devoted to work at Camp Grant; amount of time devoted to other work of the Henry B. Bricson & Sons Co., stating its character, size of project and location.

Third. Names of the various persons employed by your company in the construction of Camp Grant in a supervisory or directing capacity, not included in above lists, including engineering force, auditing force, section foremen, but not including mere gang foremen or journeymen employees, or common laborers; rate of salary paid to each; when and where obtained by you for this work.

Fourth. A list of the plant and equipment furnished by you, belonging to the Henry B. Bricson & Sons Co., not including equipment rented or equipment purchased after the contract was obtained, and the reasonable cash value thereof at the time it was transported to Rockford.

We shall be pleased to have you prepare and transmit this in as brief tabulated form as may be possible.

Mr. CHANTLAND. We wish to offer, also, in evidence a reply which we received from the Henry Erickson Co. to this letter, and ask that it be printed, and marked Exhibit "N. L. K. No. 1118."

(The letter in question is marked "N. L. K. No. 1118," and is printed in the record in full, as follows:

## CONSTRUCTIONS OF ADDITIONS—CAMP GRANT.

## EXHIBIT N. L. K. No. 1118.

HENRY ERICSSON CO., GENERAL CONTRACTORS,  
Chicago, December 16, 1919.

Hon. WILLIAM T. CHANTLAND,  
Counsel for Subcommittee No. 2,  
Select Committee on Expenditures in the War Department,  
House Office Building, Washington, D. C.

DEAR SIR: In answer to your letter of November 29, we beg to offer the following information relative to construction work at Camp Grant, Rockford, Ill.:

First. Names and positions occupied previous to beginning contract of persons previously connected with this company:

	Position.	Salary per year previously.	Present salary being paid by this company.
Henry Ericsson.....	President.....		
Walter H. Ericsson.....	Treasurer.....		
Martin Larson.....	Superintendent.....	\$2,600	\$3,600
Peter Warner.....	do.....	2,600	3,600
Charles Wenkert.....	do.....	2,080	(1)
Gunar Goranson.....	Labor foreman.....	1,600	\$ 50
Ernest Johannisson.....	Estimator.....	1,500	200

<sup>1</sup> Not now in employ.

<sup>2</sup> Approximately.

Second. Capacity in which each of the above acted at Camp Grant, etc.:

	Capacity.	Salary per month.	Present salary being paid by us.
Henry Ericsson.....	General contractor.....	(1)	
Walter H. Ericsson.....	do.....	(1)	
Martin Larson.....	Assistant general superintendent.....	\$300	\$300
Peter Warner.....	Assistant superintendent.....	250	300
Charles Wenkert.....	Labor superintendent.....	225	(2)
Gunar Goranson.....	Team superintendent.....	225	\$ 50
Ernest Johannisson.....	Estimator.....	190	200

<sup>1</sup> No salary.

<sup>2</sup> Not in employ.

<sup>3</sup> Per week with overtime.

All of the above-named persons, carried on pay roll on this contract, devoted their entire time to the work and worked considerable overtime, for which they drew no pay.

## Third. Persons employed in the construction work, etc.:

	Capacity.	Salary rate per month.	When and where obtained
Chas. H. Anderson	Carpenter superintendent	\$250	Mar. 4, 1918, Chicago.
H. E. Kavanagh	Electric superintendent	250	May 4, Chicago.
Oscar Milburn	Concrete superintendent	175	June 8, Rockford, Ill.
Chas. G. Ericsson	Road superintendent	225	Mar. 4, Chicago.
W. C. Crowley	Pay-roll clerk	125	Oct. 10, 1918, Chicago.
G. E. Baker	Invoice clerk	125	Sept. 27, 1918, Chicago.
Al Swan	Pay-roll clerk	175	
N. C. Durrance	Auditor and office manager	225	Mar. 4, 1918, Detroit, Mich.
H. M. Powell	Pay-roll clerk	125	Sept. 21, Rockford, Ill.
Paul P. Hardman	Chief timekeeper	150	June 8, 1918, Chicago.
H. M. Lindsay	Pay-roll cashier	170	Do.
Alvin Ross	Chief pay-roll clerk	150	Do.
B. A. Benson	Chief clerk	175	Sept. 27, Chicago.
T. F. O'Connor	Stenographer	125	Oct. 8, Chicago.
Henry C. Stern	Pay-roll clerk	125	Do.
Thos. R. Barry	do	125	Do.
G. H. Thomas	do	125	Chicago.
L. A. Hartwell	Progress and inventory	175	Do.
A. C. Gray	Employment manager	125	Rockford.
Wm. F. Burfield	Purchasing agent	190	Chicago.
H. McKay	Pay-roll ledger clerk	125	Do.
W. R. Brown	Traffic manager	175	Do.
Joseph Strayve	Assistant sewer and water-pipe superintendent	200	Oct. 8, Aurora, Ill.
H. Fieldman	Stenographer and post-office clerk	125	Oct. 9.
G. H. Taubert	Pay-roll clerk	125	Oct. 8.
Edw. H. Kelly	Stenographer	125	Davenport, Iowa.
E. Tietzen	Invoice clerk	150	Chicago.
O. Peterson	Assistant carpenter superintendent	250	Do.
Thorwald Nelson	do	250	Do.
Chas. Rodene	do	250	Do.
Herman Slottag	do	250	Do.
Ed. J. Millard	do	250	Do.
Henry Boere	do	250	Do.
E. T. Speck	do	250	Rockford, Ill.
John Poole	do	250	Chicago.
G. H. House	Pay-roll clerk	125	
W. C. Morrison	Stenographer	125	Sept. 17, Chicago.
A. C. Winslow	Assistant carpenter superintendent	250	Sept. 19, Rockford, Ill.
Olaf Olson	do	250	Sept. 19, Chicago.
Geo. Sailey	Post office and file clerk	100	Sept. 21, Rockford, Ill.
John Owens	do	100	Oct. 14.
H. J. Annas	Pay-roll clerk	125	Sept. 23, Chicago.
R. B. Frolick	Assistant pay-roll cashier	150	Sept. 24, Chicago.
S. E. Robert	Stenographer	125	Sept. 30, Chicago.
E. H. Hondl	Pay-roll clerk	125	Oct. 13.
Frank A. McGurn	Assistant carpenter superintendent	250	Oct. 3, Chicago.
E. B. Patterson	Road foreman	175	Oct. 12.
Charles A. Burke	Assistant team foreman	175	Oct. 14.
C. L. Johnson	Pay-roll clerk	125	Do.
Geo. W. Donavin	do	125	Oct. 14, Chicago.
C. B. Morris	do	125	Oct. 15.
H. D. Sherman	Stenographer	125	Chicago.
H. A. Stockholm	Commissary manager	200	Do.
I. F. Wilder	Stenographer	125	Oct. 30, Chicago.
John A. McCann	Bookkeeper	185	Oct. 29, Chicago.
H. J. Portman	Pay-roll clerk	125	Oct. 29.
Otto Milburn	Concrete foreman	175	Oct. 28, Rockford.
J. M. Brady	Accountant	150	Oct. 28.
C. Jensen	File and stationery clerk	100	Oct. 27, Rockford.
Cabot Kendall	Stenographer	125	Oct. 31, Chicago.
H. K. Legg	Pay-roll clerk	125	Oct. 17, 1918.
Roy A. Novern	do	125	Oct. 16.
H. G. Landin	Material receiving clerk	125	Oct. 25.
P. L. Mitchell	Stenographer	125	Do.
F. E. McCormick	do	125	Oct. 30.
John M. Eagan, Jr.	Sewer and water-pipe superintendent	200	Oct. 16, Aurora, Ill.
Harry Sidley	Road foreman	225	Oct. 24, Chicago.
Leon Whitmore	Assistant labor superintendent	175	Oct. 22, Rockford.
Edw. Kennedy	Labor foreman	175	Oct. 22.
Bert E. Bongartz	Stenographer	125	Oct. 23.
J. F. Larson	Assistant team foreman	160	Oct. 24, Rockford.
Frank S. Lowe	Stenographer	125	Chicago.
Robert McMahon	Pay-roll clerk	125	Oct. 28.
Hyman Weiner	Invoice clerk	125	Oct. 25.
E. E. Barnes	Pay-roll clerk	125	Do.
Oscar Thielman	do	125	Do.
C. J. Rice	do	125	Do.
W. C. Crowley	Material clerk	125	Oct. 26, Chicago.
Jar R. Paul	Grade foreman	175	Nov. 1, Aurora.
Robt. Barber	Invoice clerk	125	Nov. 9.
D. W. Curtin	Grading foreman	175	Nov. 15.

	Capacity.	Salary rate per month.	When and where obtained.
Wm. L. Mulcahy	Pay-roll clerk	125	Nov. 1, Chicago.
Harold E. Walcott	Invoice clerk	125	Nov. 14, Rockford.
A. R. Johnson	Labor foreman	175	Nov. 14.
Harry Slott	Pay-roll clerk	125	Nov. 11.
Frank M. Britt	Grade foreman	175	Nov. 5.
J. B. Carpenter	Master mechanic	200	Nov. 9.
Wm. Stern	Pay-roll clerk	125	Nov. 13.
John Ballort	do	125	Nov. 1.
Richard Salvia	Grade foreman	175	Nov. 1, Chicago.
Martin Stern	Pay-roll clerk	125	Nov. 6.
E. O. Van Buskirk	Superintendent water mains	110	Nov. 1, Seattle, Wash.
B. W. Stearns	Pay-roll clerk	125	Nov. 8.
D. T. Maloney	do	125	Do.
A. A. Haussner	do	125	Nov. 1.
Ed. A. Morrison	Pay-roll auditor	175	Nov. 4, Chicago.
E. A. Welling	Traffic manager	175	Nov. 21, Chicago.
C. C. Basett	Accountant	175	Nov. 24, Chicago.

<sup>1</sup> Per day.

Referring to the last question in this paragraph, we wish to advise that most of the employees were hired at our Chicago office and sent to the Camp Grant office from there. In some cases the labor expeditors arranged for the men, and the balance were those who applied for work on the job.

All of the men on pay roll at Camp Grant in our employ devoted all their time to said work. After receiving this contract from the Government our firm refused to figure and take on any other work so as to enable our organization to devote all of our time to the Camp Grant job.

Fourth. List of plant and equipment furnished by Henry Ericsson Co., not including equipment rented or purchased after contract was obtained:

Comptometer	\$175.00
H. & E. check writer	25.00
Burroughs adding machine	148.75
No. 2 wheel scraper	35.00
Do	35.00
Do	35.00
Do	35.00
Do	35.00
Underwood billing machine, 20-inch carriage	100.00
Buick automobile	855.00
Dodge automobile	750.00
Engineer's transit and tripod	185.00
18-inch level and rod	134.00
Contractor's transit and tripod	185.00
20-foot breast derrick	50.00
18-foot pole derrick	47.30
Do	47.30
Gasoline pump	150.00
Underwood billing machine	75.00
Dalton adding machine	250.00
No. B, C. H. & B. portable saw	205.00
No. 2, C. H. & B. portable saw	358.00
C. H. & B. portable saw	285.00
Mimeograph	27.50
Ford delivery automobile	500.00
Hand pump	15.00
Do	15.00
Cropp concrete mixer	1,000.00
Burroughs adding machine	255.00

In addition to the above a great many tarpaulins, picks, grubs, sledge hammers, chisels, etc., were shipped from both our Chicago yards and from our Detroit work.

Trusting that the above is the information you desire, we remain,

Very respectfully, yours.

HENRY ERICSSON Co.,  
By HARRY ERICSSON, President.

Mr. CHANTLAND. We also have a reply received from D. W. McGrath & Sons, general contractors, referred to above, in answer to an identical letter like was sent to Henry Ericsson Co. The reply of D. W. McGrath & Sons we wish to have marked "Exhibit N. L. K. No. 1119."

(The letter referred to above is printed in the record, as follows:

D. W. McGRATH & SONS,  
GENERAL CONTRACTORS,  
Columbus, Ohio, December 5, 1919.

Mr. WM. T. CHANTLAND,  
Counsel for Subcommittee No. 2 of the Select Committee on  
Expenditures in the War Department, Washington, D. C.

DEAR SIR: We herewith submit to you in detail the information requested by you, under date of November 29.

In order that you may fully understand our report, we desire to say that at the beginning of the original contract, which was in the latter part of November, 1917, the personnel of the organization of D. W. McGrath, at Camp Sherman, comprised but three men, who, among them, handled the entire details. Mr. Frank J. McGrath acted as the general superintendent, engineer, and estimator, Mr. J. C. Carroll assuming the details of the office, and Mr. Frank Westkamp that of general foreman. There were, of course, carpenter foreman, concrete foremen, road foremen, etc., under him, but, as you no doubt understand, the first contract was principally that of remodeling, building of the rifle range, construction of roads, warehouses, and twelve two-story convalescent hospital barracks, and the work was done over a period of 12 months, the major portion being completed in 6 months. At the beginning of the contract of September 5, which was for the construction of quarters for 10,000 men, we were informed that this work was urgent and that the Government wanted it in three months. Owing to the magnitude of this work, it was necessary to increase our force, which we aimed to do in the most economical manner, and our organization, as listed under paragraph 3, was used on this latter contract.

During the entire time we were at work at Camp Sherman our Columbus office devoted but little time to private work, as at the time the contract of November 1, 1917, was awarded D. W. McGrath he had practically finished the pending work. Messrs. D. W. McGrath and E. H. McGrath spend considerable of their time in employing foremen, men, and expediting material to Chillicothe. Mr. F. J. McGrath acted as general superintendent only on the contract of November 1, 1917, as modified February 20, 1917, and with the contract of September 5, 1918, he was succeeded by Mr. Albert Carr as general superintendent. Mr. F. J. McGrath continued, however, in charge of the work, but solely as representative of the contractors, by whom alone he was compensated.

Regarding paragraph 4 of your letter, we have listed the equipment and value thereof, and call attention to the fact that most of the equipment necessary on the contract of November 1, 1917, was furnished by the Government and which the contractor received no fee. On the contract of September 5 we furnished but little equipment from our own sources, as most of the equipment that was used, and which the Government did not own, was ditching machine and steam shovels. These were rented from various sewer and excavation contractors.

Trusting that the information we have given you comprises all that you are seeking, and assuring you that any further information will be gladly given we remain,

Yours, very truly,

D. W. McGRATH & SONS  
By E. H. McGRATH.

#### PARAGRAPH 1.

Name.	Position.	Rate.
F. J. McGrath.....	Engineer, estimator, and general superintendent	\$5
J. C. Carroll.....	Traffic expeditor	..
Frank Westkamp.....	General foreman	..

<sup>1</sup> With bonus equivalent to \$4,500 per year.

## PARAGRAPH 2.

Name.	Position.	Salary and by whom paid.	Time devoted.
F. J. McGrath.....	General superintendent.	\$20 per day, on Government pay roll Nov. 28 to Mar. 6, 1918; \$400 per month, Mar. 6 to Sept. 3, 1918.	All.
J. C. Carroll.....	Office manager.....	\$50 per week, on Government pay roll.....	All.
Frank Westkamp.....	General foreman.....	\$1 per hour, on Government pay roll.....	All.

## PARAGRAPH 3.

Name.	Position.	Salary, by whom paid, and when obtained.	Where obtained.
Albert Carr.....	General superintendent...	\$750; \$250 by McGrath, \$500 by Government; October, 1918.	From own office.
C. H. John.....	Auditor.....	\$750, Government, May 21 to Sept. 15, 1918; \$350, Government, Sept. 15, 1918.	Do.
Walter Richter.....	Purchasing agent.....	\$250, Government, September, 1918.	Bentley Co.
Walter Bellows.....	Architect and engineer.....	do.	From own office.
F. W. McCann.....	Assistant superintendent..	\$350, Government, September, 1918.	Hunkin-Conkey.
F. C. Arn.....	Building superintendent..	\$250, Government, September, 1918.	Contractor.
C. J. Wetzel.....	Sewer superintendent.....	\$350, Government, September, 1918.	Do.
S. P. Baird.....	Roads superintendent.....	\$250, Government, May, 1918, to July 9.	Do.
Do.....	Roads and railroads.....	\$350, Government, Sept. 15, 1918.	Jennings-Lawrence & Lindsay, engineers.
J. A. Vaughn.....	Master mechanic.....	\$250, Government, October, 1918.	
A. H. Mickey.....	Section foreman.....	do.	D. W. McGrath.
H. E. Fosmaugh.....	do.....	\$250, Government, January, 1918.	Bentley Co.
W. E. Gunther.....	do.....	\$250, Government, October, 1918.	Contractor.

## PARAGRAPH 4.

Equipment furnished on contract, Nov. 1, 1917:

1 Rooter plow.....	\$50.00
6 screw jacks, at \$3.....	18.00
1 concrete hoist.....	100.00
1 storage hopper and spout.....	75.00
1 snatch block.....	7.50
12 turn buckles, at \$3.50.....	42.00
2,018 feet steel cable, at 14 cents.....	282.50

Equipment furnished on contract, Sept. 5, 1918:

1 vertical boiler, 25 horsepower.....	475.00
1 Scotch marine boiler, 30 horsepower.....	650.00
1 concrete mixer with elevator attachment.....	1,800.00
1 vulcan No. 2 pile driver hammer.....	850.00
1 guy derrick complete.....	1,225.00
4 portable saw table outfits with gas engines, at \$450.....	1,800.00
4 wheel scrapers, at \$50.....	200.00

Mr. CHANTLAND. We next offer in evidence from volume 81, No. 86, of the Engineering News Record, dated New York, Thursday, December 26, 1918, the following paragraph from an article headed "Congress aims blow at fair-compensation contracts."

The article referred to above we desire to have marked "Exhibit N. L. K. No. 1120."

(The paragraph above referred to is printed in the record in full, as follows:)

## EXHIBIT N. L. K. No. 1120.

For the moment the cost-plus contract has virtually ceased to exist in Federal public works practice. Until the Congressional mind reacts to the different convictions of the building public, cost-plus contracts will not be

restored. The public must be educated to the value of this contract. Note that this schooling must go beyond the engineer and the contractor, to the owner. If all contractors advocated (and all do not) the cost-plus contract, and if all engineers, instead of comparatively few, were arrayed in its support, it would not be enough. Owners must be converted to the equalities of the fair-compensation contract before it will assume the position that it deserves in the construction industry. That we may not lose the gain secured by war construction, quick conversion is essential, but it can not be accomplished through the work of a few missionaries, no matter how full of the spirit they may be, or how capable they are as exhorters. It requires concerted effort. Organized contracting must enlist as the defender of the faith.

Mr. CHANTLAND. We next offer a photostatic copy of a telegram from Mr. Horowitz, president of the Thompson Starrett Co., to Barras, their representative here in Washington, dated August 9, 1918, and ask to have it printed in the record.

(This photostatic copy we desire to have marked "Exhibit N. L. K. (No. 1121)."

(The telegram referred to above is printed in the record as follows:)

EXHIBIT N. L. K. No. 1121.

Following wire from Starrett: "Have wired Washington give you every consideration; advise taking matter up with Maj. C. Foster in full charge in my absence." Deliver for me following to Maj. Foster: "Col. Starrett advises me matter of allocating to us one of six contracts your committee now considering rests entirely with you. I sincerely hope that our performance Nitro, as testified to by Starrett following his visit there, together with fact our having at this time a large organization available, can be most advantageously used on a Government operation, will induce you select us for one of these operations." Keep me posted progress, as we must not fail to land one of these jobs.  
HOROWITZ

Mr. CHANTLAND. I now wish to offer in evidence a letter from Mr. Robert W. Grange, jr., of the Thompson-Starrett Co., Chicago office, dated October 26, 1918, to Col. W. A. Starrett, of the War Industries Board, Washington, D. C. I desire to have it printed in the record, marked "Exhibit N. L. K. No. 1122."

(The letter above referred to is printed in the record as follows:)

EXHIBIT N. L. K. No. 1122.

You will remember that when you last visited Chicago, and I had the pleasure of talking with you, you mentioned that the Field Museum building and site would make a fine location for a hospital. As you know, this had been definitely settled and Stanley Field has signed a lease with the Government to have the present building utilized for this purpose, which means, of course, that there will be a great deal of work necessary to make the building suitable for hospital purposes.

We have been given to understand that Thompson-Starrett Co. are to do the work. In addition to preparing the present building, there will be a number of other buildings in connection therewith of cantonment construction type.

Graham, Anderson, Probst & White are, of course, drawing the plans for the changes in the present building and are also making sketches for the surrounding buildings. While it has been decided that we shall handle the work on the main building on a fee basis, they are talking of letting the surrounding buildings on a lump-sum basis, and, further, of taking competitive bids for this work. As you know, we are not taking any work on a lump-sum basis and should they carry out their present idea of letting the contract in this way it would eliminate us from the competition.

I can not see how it would be of any advantage to the Government to have a portion of this work go to some other contractor. We have at the present time a large organization on the job which could be immediately expanded



to take care of the whole piece of work. I feel that if this work were to go to another contractor there would be considerable confusion, not only with the organizations but in the handling of labor and materials on the site.

I am bringing this matter to your attention merely because I know you are interested and so that you will be thoroughly acquainted with the facts when the matter is brought to your attention.

It might also be interesting to you to know that we have about completed the Symington job, and Mr. T. H. Symington, who was president of the Symington Chicago Corporation, and is now in charge of shell manufacturing for the Ordnance Department in Washington, has expressed on several occasions in Washington to Mr. Horowitz and others his admiration of the way we have handled the work at the Symington Chicago Corporation plant.

Very truly, yours,

ROBT. W. GRANGE, Jr.

Col. W. A. STARRETT,  
*War Industries Board, Washington, D. C.*

Mr. CHANTLAND. I also wish to offer in evidence a letter in answer to the above, written by Col. W. A. Starrett, dated November 6, 1918, which I desire to have printed in the record, and marked Exhibit "N. L. K. No. 1123."

(The letter above referred to is printed in the record in full, as follows:)

EXHIBIT N. L. K. No. 1123.

NOVEMBER 6, 1919.

Mr. ROBERT W. GRANGE, Jr.,  
*Care of Thompson-Starrett Co.,  
Insurance Exchange, Chicago, Ill.*

DEAR SIR: I have been away from my desk for nearly two weeks, and return to find your letter of October 26. I do not know what disposition has been made of the Field Museum Building matter, but I assure you that I will do everything I can do consistently, because I do not believe it is advisable to have two contractors under the same site, especially under the circumstances that exist.

Yours, truly,

W. A. STARRETT,  
*Colonel, Quartermaster Corps.*

Mr. CHANTLAND. We next offer in evidence a letter of James A. Miller, of the Frederick T. Ley Construction Co., to Maj. Starrett, Committee of Emergency Construction, dated January 16, 1918, which we desire to have marked "Exhibit N. L. K. 1124," and printed in the record.

(The letter above referred to is printed in the record in full, as follows:)

WILMINGTON, DEL., January 16, 1918.

Maj. W. A. STARRETT,  
*Committee of Emergency Corporation, Council of National Defense,  
Washington, D. C.*

MY DEAR BILL: As you perhaps already know, the Atlas Powder Co., Wilmington, have just completed their arrangements with the Ordnance Department whereby the Government will finance their new plant, the ground for which has not yet been selected. I already have my draftsmen at work on this job, and the above firm is going to recommend to the Government, which I suppose will be to you, that we be given this contract, and I know, of course, that, based on our past performances, their selection will be perfectly satisfactory to you and your committee.

I expect to be in Wilmington to-morrow and will call and see you.

The prospect referred to in this letter I have been working on for some little time, and this letter is just a confidential note to you as that you will know our standing in the matter when it is presented.

Won't you tell G. Starrett that I have been detained in Wilmington, but hope to arrive in Washington sometime Thursday, and let me know where I can get in touch with him.

I remain, sincerely,

JAMES A. MILLER,

Mr. CHANTLAND. We also have a letter of L. J. Fischer, assistant to the president of the Thompson-Starrett Co., to Maj. Starrett, which we wish printed in the record, and which is marked "Exhibit N. L. K. No. 1125."

(The letter above referred to is printed in the record in full, as follows:)

EXHIBIT N. L. K. No. 1125.

NEW YORK, January 24, 1918.

Maj. WILLIAM A. STARRETT,  
Chairman Emergency Committee, Council of National Defense,  
Munsey Bldg., Washington, D. C.

*Fox Hills Hospital.*

MY DEAR BILLY: Following conferences with Maj. Myers, who has been appointed constructing quartermaster for Fox Hills, and in view of my talk with you over the telephone the other day, we are going ahead with the arrangements to put in the permanent spurs, providing office quarters, telephones, office equipment, etc., and are also arranging to do the necessary topographical work. I am not at all apprehensive about any more obstacles arising in connection with the signing of this contract, but we are naturally very anxious about the entire matter until the contract is signed.

I will be glad to come to Washington on telegraphic notice when the contract is ready for signature, and if anything should develop standing in the way of the contract being authorized I would be obliged if you would wire telephone.

Yours, truly,

L. J. FISCHER,  
Assistant to the President

Mr. CHANTLAND. We next offer a telegram from L. Witherspoon, of the George A. Fuller Co., addressed to William Starrett, dated June 15, 1917, which we desire to have printed in the record, and which is marked "Exhibit N. L. K. No. 1126."

(The telegram above referred to is printed in the record in full as follows:)

EXHIBIT N. L. K. 1126.

Local officer in charge Fort Riley work has sent report to Quartermaster General certifying that our organization now erecting initial cantonment for Riley is thoroughly equipped to handle the proposed large cantonment. Belcher, one of the most efficient men in Fuller Co., has charge of this work and has work thoroughly organized and can increase men and equipment to meet any demand. Do not let this job get away from us, as I personally guarantee perfect service.

L. WITHERSPOON,  
GEORGE A. FULLER Co

Mr. CHANTLAND. We also desire to have printed in the record some data furnished by the Federal Trade Commission, the figures reported to the commission by the Southern Commerce Association from 21 southern companies, showing the cost per thousand of lumber for the several months of 1917, as follows:

	Cost per thousand.		Cost per thousand
January.....	\$15.08	August.....	16.29
February.....	15.91	September.....	17.57
March.....	15.34	October.....	17.08
April.....	15.18	November.....	18.73
May.....	15.04	December.....	21.73
June.....	16.25		
July.....	16.28	Total.....	16.57

We also desire to offer in evidence the report of a conversation between Maj. W. A. Starrett, chairman of the Committee on Emergency Construction and Contracts of the Council of National Defense, and Mr. Grosvenor B. Clarkson, secretary of the council, on August 9, 1917. This report was taken from the file of Clarkson's office in 33 typewritten pages, with corrections in Mr. Starrett's handwriting. For the purpose of clarity and clearness, those parts of the stenographic report stricken out by Mr. Starrett are put in parentheses, while corrections and insertions by Mr. Starret are underlined.

The report in full is as follows:

A CONVERSATION BETWEEN MAJ. W. A. STARRETT, CHAIRMAN OF SUBCOMMITTEE ON EMERGENCY CONSTRUCTION AND CONTRACTS OF THE COUNCIL OF NATIONAL DEFENSE, AND MR. GROSVENOR B. CLARKSON, SECRETARY OF THE COUNCIL, AUGUST 9, 1917.

Subject: Cantonments.

Mr. CLARKSON. How, in the first instance, do you define the relation of your committee and the relation of the General Munitions Board to the War Department in this work? (How would you describe the relation of your committee, and the munitions board, on the one hand, to the War Department on the other, in this work?)

Maj. STARRETT. We would describe it as carrying out, as one of the very effective carryings out, of the policy laid down by the Council of National Defense, namely, that the then munitions board was a purely supplementary and not a substitutional body, or expression that Mr. Gifford has used.

Mr. CLARKSON. What I am getting at is, thinking of it in still broader terms, the bringing in of civilian expert knowledge to this task and harnessing it up to the War Department.

Maj. STARRETT. Well, the description of it would be this. We were brought in here as civilians on the presumption that we had expert civilian knowledge which we could get in shape so that it could be utilized by the then existing machine in the War Department; and that was our problem. You will remember when this thing was first under contemplation, it was under the Quartermaster's Department as such. There were a couple of Army officers and stenographers and that was the machinery which the Government had provided to do this cantonment job. They were essaying to do this work. Incidentally, word had gone out through the land that this work was going on; so every contractor in the country was here. All those men did was to stand in front of the desk and shake hands all day. They did not understand it. The official would stand up all day long shaking hands with this bunch of contractors, telling them we will take your names. Paper was stacked high on the desk and there was confusion galore.

We saw right away that the machine would collapse; that it would not accomplish anything. So we went to the Munitions Board and said those people should have to be taken out of there. We said this man has got to be left alone; he has to be taken out of the War Department, as it is no fit place for a man to try to do business. Get him space and some people around him. Scott said all right, we will get him out this afternoon; and he arranged it on the telephone with the Secretary of War to detach Col. Littell and move him out. Scott had some offices he was preparing for himself on the other side of the building, and right there on the telephone, while he was talking to the Secretary, he decided to move Littell into them. So he said, send him to the Munsey Building.

Accordingly, the next morning, Littell was brought over with a mass of records and stuff. We had offices near him and that gave us a chance to get Littell off and look at him by himself. Immediately we commenced to see the great need for the finest kind of men we could get, so we reached into the big engineering organizations all over the country by wire and telephone—

QUESTION. When did you come in?

Maj. STARRETT. I came in on the 25th of April. This thing I am telling you about was the 10th of May. We had been on the job a couple of weeks.

We got hold of big firms all over the country and we asked them to send big men. We got Stone & Webster, George A. Fuller Co., and everybody else. So we got big men, men like Hamilton, Gunby, Wheaton, and I could go on with a list of 25 men who were earning \$15,000 to \$25,000 a year. We said to these concerns you have to give the people up; we are up against an emergency. Then and there, over about two days' and nights' solid conference work with all these people and taking their advice, we built a great organization under Littell, and got his tacit consent to the thing.

In the meantime these people commenced to come in and they began to fill up the whole building, shoving people out of their offices, and inside of four days we had the building in skeleton. Then it was like a camel that got its head into the tent, and then pushed all the way in. So we went over and got the old Adams Building, 1333 F Street, and rented the whole thing for the War Department, and moved them again and stuck them in over there. That machine is the operative machine set up under Col. Little. They are the people running this cantonment work. Men were quickly coordinated and everything was worked out with the object of speed, but at the same time to be economical in management—other words, to have business qualities in addition to speed. But speed was the basis. That machine constitutes about 250 people occupying the whole building, and working anywhere from 12 to 16 hours a day—every man. Go over some night about 8 or 9 o'clock, and you would think it was some gas office, public service.

There is a tremendous amount of work these men are doing. You know what has happened. Through the functions of our committee contractors were recommended, contracts were let on a form of contract that was developed by this committee and, of course, sanctioned by the General Munitions Board. They (have given) got out something over \$175,000,000 worth of contracts on a thorough accurate and scientific basis. No loss other than—

QUESTION. Before you go further into that, will you sketch broadly the problems that confronted you when you started, as if they have never been stated.

Maj. STARRETT. I want to go back and show you our first piece of work. When we came here, Scott's frame of mind toward us was not it would be toward a lot of chemists. He knew it was a problem and knew how it ought to be met, but did not know the details. He said take this and solve it. That was the only possible conclusion you could draw from it. He knew cantonments were coming. He knew there was other building work. So we called the committee by a name that we selected for ourselves, Committee on Emergency Construction of Building and Engineering Works. Emergency is the keynote of the thing because the Secretary of War had declared building necessary for the war to be emergency work. It was a veridical declaration. I think you will find (it) in the records of the Government. It had to be because of the Government law requiring that plans should be drawn, bids and estimates taken, and certain formalities gone through, such as would have been the process at times of peace. So he declared the things that had to do with the war as emergency work. Now it did two things. It excluded immediately from consideration such things as post offices, etc., and also a lot of river and harbors work had no bearing on the war. But it is true that a great amount of construction is emergency work—the enlargement of factories, industrial enlargements, spec-

factories for ordnance. We are now considering a big chemical plant involving about \$5,000,000 which would be done under the emergency plan. I want to read in detail from this book, because it has so much substance. [Maj. Starrett refers to report of May 9, 1917, a copy of which is attached.]

In reading from the said report Maj. Starrett interjected comment as follows:

With reference to the blankets, Col. Pierce said it did not make any difference what they paid for the blankets. There was strategic and political necessity for calling the Army on the 1st of September, and if the men were called and the blankets were not there it can be easily imagined what a howl would be raised. He was right; the matter of time is essential. So it is with this thing. I want to emphasize that.

Regarding percentages: Where contracts are small the percentage would be high. Now, we are always trying to attract good contractors and not looking for the class that would get the Government into trouble. On contracts under \$100,000, 10 per cent was recommended, but it scaled down to a schedule of prices that finally wound up with 6 per cent on very large contracts; with a further final proviso that no contractor on any contract should receive a fee of more than \$250,000. You can see how it would work. If the work costs, say, \$6,000,000, 6 per cent on that would be \$360,000.

Cost plus: Cost plus 7 per cent does not mean that the contractor makes 7 per cent profit. It means that out of that 7 per cent he must bear his own overhead. I might say that we went exhaustively into the question of overhead with contractors. We invited here about a hundred contractors; I think, the leading contractors of the country, and talked to them at length about what we intended to do. We asked them what they thought about this scheme that we were going over, and asked them what their overhead was. Of those hundred-odd contractors the average indicated that the overhead of a big contracting concern is about  $3\frac{1}{2}$  per cent. So if you say they get cost and 7 per cent, their profit would only be  $3\frac{1}{2}$  per cent taking the average.

There are cases where contractors have a considerable sum of money of their own in the work. The contractor must be so strong that he will be able to go right on with his work despite any little interference or any little stoppage in the Government's paying machinery. There is a case right before us now where a contractor has a million dollars of his own money locked up in his own cantonments. He has a million dollars cash tied up in the job. Now that is only one of the many cases. There are several who have over \$500,000 in.

But the facts are as we started to recite them. Just let me read from my notes which I kept of the people we saw:

#### INTERVIEWS WITH CONTRACTORS AS TO PERCENTAGE OF PROFIT.

May 8, 1917, Westinghouse, Church, Kerr: Seven per cent inadequate. Cost them  $6\frac{1}{2}$  per cent for overhead, cost which is excluded from contract cost.

May 8, 1917, by phone, Stone & Webster said that scale suggested, 10 per cent down to 7 per cent, was low but satisfactory.

May 8, 1917, J. G. White said that scale was satisfactory providing schedule of rentals for power tools was as per schedule, which, on casual examination, ran about average high.

May 8, 1917, Bate, McMahon & Co. said that on similar work for Canadian Government they started out with 15 per cent, but on later contracts they received 10 per cent. Government, however, finances them completely, owning all plant and power tools.

May 9, 1917, they executed contract with Imperial Munitions Board at  $7\frac{1}{2}$  per cent.

May 8, 1917, George A. Fuller Co. stated that 7 per cent was too low, and while they admitted that they would take work at that figure it would not be attractive, and their motive would be patriotism. They suggest 8 per cent.

May 9, 1917, Mac Isaac and Cranford, of General Contractors' Association (recommended by Col. Abbott of New York district, after long deliberation, said that the figure, 7 per cent, was about right, but reserved the right of withholding definite men till they could hear from their whole association.

May 9, 1917, Stone & Webster called and reaffirmed that the schedule of percentage agreed for agency contract was about correct.

May 9, 1917, Walsh Constructing Co., Davenport, Iowa, representing 12 allied subsidiary concerns, doing generally railroad and heavy contracting, called, and after hearing discussion said that 7 per cent was too low, that on their class of work 15 per cent was generally charged, but, all things considered, they would accept 10 per cent on earthwork, heavy constructing, etc.

May 10, 1917, James Stewart & Co. called. Heard whole discussion and said that the percentages named was fair.

May 9, 1917, Gaylord Construction Co., Scranton, Pa., called. Heard whole discussion. Said 7 per cent was low but under circumstances of Government furnishing all plans and specifications work would be attractive. Argued for 10 per cent.

May 8, 1917, Lewis, Wiley & Morse, Seattle, Wash., called. Heard whole discussion of contract, and said that while they were used to taking similar work at 10 per cent, they would accept it at 7 under the many favorable conditions the contract offered.

We called the men one after another and discussed the whole matter with them as though they were partners in it, and, as I say, we came to the conclusion that we had hit the low fringe of profit; and it developed from all this that their overhead average was  $3\frac{1}{2}$  per cent.

QUESTION. Let me ask you now, looking at this matter from the standpoint of the public, what was your actual information of the reliability and standing of these men? Did you employ your own professional knowledge or did you supplement that knowledge by further investigation?

MAJ. STARRETT. May I take that up as a separate point, because I have a great deal to say about that. I want now, without boring you on this thing, to go on with the report because it is full of meaning and facts. I have just discussed percentages and read the paper. [Maj. Starrett here read the part of the report relating to bonus and forfeiture.] This is one of the great bones of contention and one of the biggest misunderstandings in the contract business. I think we are right, and I am supported by all my colleagues on this point and by all the contractors of the country whose opinions are worth while. It was argued back and forth, and it is still held no bonus or forfeiture ought to be put in. Suppose we give the man his contract and we agree if he gets the work done by the first of August we will pay him 7 per cent, or a thousand dollars extra; or if he did not finish until after the first of August we will deduct so many thousand dollars a day from his earned percentage. Now see the conditions that would confront you there. I think it is worth while discussing. When this cantonment work was designed we did not know what was going into them; we did not know where they were going to be. We did not know anything about the topography. We had only the theory to proceed on, and that was that the contractor should be a good, substantial concern near the selected site.

If we had that bonus in there, here is what would happen: It would be telling the contractor you must rush in and spend all the money you can to try to earn yourself more money. It would not be an appeal to his patriotism, because we had that anyway. He was going to risk the money that he came to get more out of it. The Government would say, "If by any means you can give me this thing, we will foot the bill and give you more." . . . In the first place, the contractor would rush in and move heaven and earth to earn the money. In the second place, it would have had to be predicated on some known state of affairs. So it would have been a set of plans or a group of buildings that could not be enlarged or subtracted from. In other words, the meager information we had would have been the basis of that bonus. Let the Government add buildings to them, as they have done all the way through, and the contractor would say, "This is not the deal I went into. Now you have added buildings, so you have to extend my time." The result is that the Government's hands would be tied at the outset by any change it would want to make on the work. [Maj. Starrett here continued the reading of the report.]

Now I want to digress. When we got that far in our mental process we started to look around to see what the Government had in the way of a register of contractors, and the only thing we had was copies of the industrial survey. We took one look at that and saw it was not in the line at all. It did not have anything for us. In fact, there existed no register of contract

as such, although there have been sporadic attempts made to classify people and list things they possess. But those are not worth anything when we get down to it, for this reason, it is good to-day and it is not good to-morrow. A man sends in a list of his plant, and when we want to get hold of an article quickly he says, "I have sold it or rented it."

So there were no good lists. We addressed a memorandum to the Munitions Board and said that we wanted to be directed to compile a list of contractors based on the qualifications I have read here—that is, as to their stability, their going concerns, their organization, and their integrity. The Munitions Board, of course, approved the plan, and to that end we prepared a questionnaire which we sent to the American Institute of Architects, to the chief engineer of all the railroads of the country, and to as many as we could locate of the chief engineers of the big industrial institutions, like Westinghouse, National Biscuit, etc., people who build a great deal. And that questionnaire was directed to this very thing. Who are the reliable people you have been dealing with? It was rather exhaustively gotten up and fairly well done. It was, of course, confidential, and there was a perfectly splendid response. I think of all the gratifying things we have had, that was the most gratifying. Everybody took it in the right spirit and went at the thing, and the result was that in about 10 days' time we had about 1,800 replies, which represented about a thousand contracting concerns. All were very nicely done and from the most intelligent people in this line in the country. You can see how far superior that was to our sitting down as professional men and trying to think out who we knew. We had accurate information on about 1,000 concerns. That ended that thing so far as the Munitions Board was concerned, but it is interesting to take up and see what we did with that list. We got Mr. McGibbon, of the Chicago Fidelity & Guaranty Co., who was on the bureau of awards at the World's Fair, and put him in charge of the list. He separated these people. We took it and found out who the big contractors were throughout the country that were doing big work—you might say over \$5,000,000 a year business. We find of those there were about one hundred odd concerns.

Then we separated out the big builders and cross-referenced them geographically, and based on a geographical cross reference we had about 60 or 70 concerns, based on the military divisions of this country, of which there are 16. Then we take a geographical division and we are ready for the men. Take New York City; there are about 25 concerns. In Des Moines, Iowa, there were only three, four, or five; and in the Southwest there were not any in some places (and also in the Southeast), etc. That was the process, and it has worked out to be very valuable. Now, proceeding to the point where the cantonment sites were being selected. We went into the room where the list was and all sat down. I want to go back and to tell you what else we did. When these people would send in the name of a concern, we checked that up by sending him a separate questionnaire addressed to him on which he was to make a statement of his own business, saying it was confidential. So we had what the architects and engineers said about him, and we had what he said about himself and access to people whom we referred, to whom we also wrote letters. For every contractor we made an envelope, and when we came to this work we had his whole record right there. A contract in question here was the Fred T. Ley Co., who had been doing industrial plants where they built small houses for workmen.

They had been doing big office buildings in cities. They had quantities of appliances, such as steam shovels, track, railroad materials. Now, those people qualified themselves by just running over the records. There was Coleman Bros., which was a good concern, but seemed not to have the qualifications. Men have come into my office and said I can do this what somebody else has done, and I would be pretty well persuaded they could, that they were resourceful men. Here is the way we worked. Here is a good concern. The Government was building cantonments, and here was an energetic man who would like to erect them. Now, who would you select if you were in a fiduciary position? This was not an invidious selection of men; it was the men selecting themselves. The Government was dealing only in the probable outcome of the thing. It was a case of moving ahead and doing a thing that never would be done again. Now, we applied the principle all over the country. Secretary Baker sent us a communication saying all things being equal to pick the contractor from the locality in which the camp was to be situated. Now, that was common sense. We did not want to put a Texas plant in Boston or take a

Boston plant and put it in California. So with this cross reference I have discussed—those geographical arrangements—we were pretty well in a position to do what the Secretary wanted. Now, if you go over a list of our selections, you will see that we were at least able to be systematic.

QUESTION. You feel, then, that everything humanly possible has been done to safeguard the interests of both the Government and the public in the selection of these contractors?

Maj. STARRETT. Yes; I do. It is like other emergency work. You have to know as many facts as you can and be just as you can; but you have to move and do something. That is what you have to do. It is too bad if a fellow comes in the next day who is bigger than the man we selected.

QUESTION. Your work is essentially motive?

Maj. STARRETT. It certainly is.

QUESTION. Well, now, let us see what we have covered. We have covered the initial problem and the initial steps which you have taken to meet it. We have covered the formation of the Little organization, and we have covered the process of selecting contractors. Now, suppose we approach the actual construction work.

Maj. STARRETT. Let me say a word about the matter of selection, because it is very pertinent to a desire to be fair. On that committee there were at that time myself as chairman; C. W. (M.) Lundoff, of the firm of Crowell, Lundoff, Little Co., of Cleveland; M. C. Tuttle, general manager of the Aberthaw Construction Co., of Boston; and Frederick Law Olmstead. It was rather a cosmopolitan group. There were two architects, two builders, and Maj. Kelley, who is an Army engineer. That was the committee. Now, when we went into these deliberations Lundoff and Tuttle, because they were contractors, withdrew from those deliberations. Tuttle had withdrawn his concern absolutely. He would not touch a Government contract because he is on this committee.

Lundoff absented himself, but had been definitely notified by the Munitions Board that his concern should not be withdrawn. You may know that the whole firm of Crowell, Lundoff, Little Co. are on this Council of National Defense work; Crowell is (on the Navy Ordinance) a major of the Ordnance Department. Little is on the Small Army Board, having charge of machine guns. So we had the whole outfit right here. But Lundoff withdrew from the considerations and Tuttle withdrew and withdrew his firm. That left only Olmstead and me, because Kelley was so busy he could not attend. So we called in to advise us Leonard Metcalf, of Boston, and George W. Fuller, of New York (not to be confused with George A. Fuller Co.). Fuller is an expert on sewage disposal. Myself, McGibbons, Metcalf, and Fuller were the committee that made these decisions and sat and decided these things and reviewed this list.

There is too much misunderstanding about the name of Starrett going around the country. I was educated as an engineer at the University of Michigan, and when I came out of college I was employed by the George A. Fuller Co. as office boy or something and worked along with that concern for several years. In 1900, with my brother and a man named Thompson we founded the Thompson, Starrett Co. (Starrett, Thompson Co.), which got a more or less national reputation. As time went on one after another dropped out, and I finally got to be the vice president and general superintendent of the company. I was connected with the firm from its inception (conception) to 1913.

My brothers dropped out, but my name is still connected with that concern. In 1913 I quit the company, sold out all my interest in it, and joined one of my brothers, who had left about three or four years (ago) earlier to engage in the practice of architecture. That is my business. The only Thompson, Starrett Co., however, was considered to be pretty valuable, so they continued it. There are no Starretts in the concern at all. It is a splendid concern, one of the biggest in the world. But it is a continuation of an old name that they saw fit to carry because it was worth while. There is no Starrett connection with the concern in any way at all now. My brother Paul was always with the Fuller Co.; never had anything to do with the Thompson, Starrett Co. In the process of time he worked up and got to be president of the concern, and has been for the last nine years and is president of the George A. Fuller Co. They are the two biggest building concerns in the country. Our name is identified with both. Starrett & Vlek, architects, have nothing to do with either of the (two) concerns.



but have had business with them in the last few years. We only build big office buildings and large structures. We do not have anything to do with small work. It is often there is a contract where we are architects and they are builders; but there is absolutely no connection between them. I do not own a share of stock in either of them. Only my brother is connected with one and our name is connected with the other.

QUESTION. Are you having any trouble with this appointing of contractors that amounts to an embarrassment in any way?

Maj. STARRETT. We can not tell where this thing arises. There is a very positive probability that we are. Contractors absolutely classify themselves. I can tell by talking to them because of my experience. After conversing with one of those fellows for 10 minutes, I can pretty nearly go to his record and find there about what my own opinion of him is. I should say that 90 per cent of the contractors are high-grade people, and there is about 10 per cent of them unreliable and untrustworthy, among them some big well-known concerns.

QUESTION. You are speaking now, Major, of the contractors who would be large enough to put over jobs of this kind?

Maj. STARRETT. Yes. There are many contractors who are suitable, and when we get right down to it, it often lies (lays) between two or three, but by careful (fine) study the selection makes itself. But you can not convince the contractors. The Foundation Co. did not get a contract, and they could not understand it. I could not go into all the reasons that entered into our not selecting them, and (but) you can not convince those people by any argument. So after the thing is done we just say "you were not selected. That is all. We know all that you say is true, but you did not happen to be selected."

QUESTION. Suppose we approach the initial construction work, and take up the progressive stages of accomplishment.

Maj. STARRETT. That is a very important point to take up. When you approach your building program on the basis we are doing, you have to know in advance about what is to be done; you have to know what the problem is.

In dealing with the cantonment problem here is what it was. It was the building of this vast number of wooden buildings. Generally speaking, it was the installation of a water supply system, and that includes getting water at its source, and the installation of a sanitary system for sewage disposal. Of course, the very fundamental requisite is pure water, and second, good (pure) sanitation. Rather apart from my point—electric lighting is purely convenience.

All of that work had to be done in the course of about two and a half months. Now, when you get into the deal of contracting you will find that when a contractor is able to do a \$5,000,000 business a year he is a big contractor—\$400,000 worth of business a month. In this problem he had to "get across the plate," as it were, (he had to do a million and a half the first month, two and a half million the second month, and five hundred thousand to a million dollars to finish. You can readily imagine the administrative work required to spend that money well and economically. It is largely a spending on material and labor accounts. Now, roughly, I have described what the problem is.

The contractor has got to have an exceptionally fine accredited accounting system—not merely buying a whole lot of new ledgers. He has got to have the integrity; a system of time keeping that is almost indefinitely expandable. That means people in a fiduciary capacity. He has to have a system of material purchase which is not just the fellow who can buy things here and there. He has got to have a traffic department which knows how to do real trafficking; an expediting department; an estimating department. He has got to have executives that are used to thinking big thoughts. That is the hardest thing to drive home. These small builders will tell me about their organization. I know just by talking to one of them if you gave him a proposition of buying 10,000 window frames he will get buck fever. (To buy 10,000 and find if they are right and separate them!) If his mind is not used to doing those things the best way I can describe it is he gets buck fever. When you think of a building organization every department head has to be used to thinking in these big terms—correlating and working together so that they won't overlap—so that the job will come out whole and not leaking at every joint. Anybody who proposes to do this on any other basis opens the floodgate of the treasury. The contracting business is like every other business, only more so. Who would think of asking a bicycle repair shop to do (this) aeroplane building work? That is what some people try to do in the contracting business. I think the whole business has been cursed by contractors not asserting them-

selves. They go around a circle (circuit). They never have told the science of their business—the trials of it, the men they fire, etc. That always goes by the boards and the thing is not understood.

QUESTION. When did you actually get to work on your construction?

Maj. STARRETT. (On May 26 we made our first recommendation for Ayer, Mass.) Our first recommendation for a contract was made on June 1. (They went through very rapidly to about June 5 or 6.) There was a stoppage again by the General Staff, but on June (15) 5 the first was started. (Our total deliberations on the 16 cantonments extended from May 26 to about June 12. But most of the work was (done on) started after June 16.

QUESTION. Let me ask you there to dwell briefly on the reasons that impelled you to select a certain site.

Maj. STARRETT. We have nothing to do with that. The sites are selected by the General Staff. I want to introduce something here. In addition to the organization which we have described here we organized throughout the country, under Mr. Olmstead, very competent engineers located all over the country where these cantonments might be located. We told them about the problem there would be in selecting a camp in the neighborhood. We got in contact with the engineer in that particular section and sent him, through the General Staff, to the department commander, and (our men) he went over the ground—"land looking" we call it. We would investigate the drainage facilities and in general whether (it) the site was adaptable. Surveyors were engaged during that day and rough contours were taken, and as soon thereafter as possible through Mr. Metcalf, and examination was made of the water for its potability. Before the deal was closed we knew and were able to tell the War Department whether it was adaptable, whether it could be used, and whether the water was good.

QUESTION. (Was) final disposition of the site was made out of your hands?

Maj. STARRETT. Yes.

QUESTION. Did you pay any attention to the question of filtration?

Maj. STARRETT. After this the same men were continued to make an intimate survey, and I have volumes on the water supply of every single spot. Many were near existing supplies; for example (like at) Atlanta. With others we found iron (something) in the soil (where we had to dig), and this was a very serious situation. Permutation systems for precipitating the iron and metallics in the water were required.

I want to drive home that question about the splendid outside aid given the engineers of the country that Metcalf, Fuller, and Olmstead organized. They have done wonders. They have given their services for nothing (nominal amounts). I regard that as one of the most potent things that has been done. It is going to reflect itself in the health of our soldiers.

QUESTION. I'd like to get at the progressive stages of construction. Which cantonment was started first?

Maj. STARRETT. The first and most difficult was at Ayer, Mass. It was recommended on May 26, and I think it was awarded after some delay (waited a few days). You remember the process. We recommend it through the Munitions Board—(more or less routine work). We always (barely) kept our advisory function in the foreground, but followed recommendations exactly in one case. You say the progressive stages of the cantonment construction?

QUESTION. Yes; either in respect of a single cantonment or in respect of the whole work.

Maj. STARRETT. I think we better take it up in the single cantonment. Because the problems were so different. The plans, I have said many times, were laid out ideally; at least, if I haven't said it, I have indicated it. We assumed, for convenience's (speed's) sake, that every site was perfectly level and had no tilt in any direction. The problem was the minute the contract was let to take the idealized plan, get the Government and the contractor together, and fit the plan to the site.

At Ayer, the progressive stages were these:

The survey was made and reported immediately. The outlines of it were set down, the general line of streets, and where they would get the water. The contractor and the contracting quartermaster thought out in advance and went to the site together, took this adapting plan, and started the surveyors driving the stakes where the main points would be.

Incidentally, many things were happening. The lumber committee, which has been of such magnificent service, knew of the lumber in advance approximately. The contractor had another department of the concern in the

with the lumber committee, the lumber committee putting them into the prime association with which they were to deal. "Here is a price beyond which you must not pay for the lumber. You can pay any price below this." The quartermaster said, "You must not be slow on this thing." Other departments of the contractor were going in, buying the piping, plumbing, supplies, etc., all thought out in advance. We knew how much pipe and of what size. We knew it would be one size to furnish our own supply and another for some supply which already existed. The contractor immediately started in with throwing up a few sheds; the first buildings are always storage buildings.

The other departments are buying clothes and shoes. We started on the storage building and then on the barracks.

**QUESTION.** Does the contractor's working force occupy the buildings and do they have the beds or beddings?

**Maj. STARRETT.** You are getting into the refinements of life. Yes; they occupy them.

**QUESTION.** Let the date be fixed when the work was started at Ayer.

**Maj. STARRETT.** June 7.

**QUESTION.** What percentage of the work is done now?

**Maj. STARRETT.** Ayer is 50 per cent completed. It will be done on time. They had to put a 40-foot steam shovel in and it was there on the day the contract was let.

**QUESTION.** Looking at the 16 cantonments as a whole, what percentage is done?

**Maj. STARRETT.** Roughly, 50 per cent.

**QUESTION.** The lumber committee has some interesting figures on shipments (shipping). They have a complete record of the amount shipped day by day.

**Maj. STARRETT.** Any discussion that does not give the lumber committee the fullest praise does not understand. Their work is wonderful. Only the people on the inside know.

**QUESTION.** Suppose we discuss the prices of lumber obtained by the lumber committee.

**Maj. STARRETT.** I will discuss it in a very familiar way. Mr. Downman did the work. The Secretary of War was very much disturbed by the fact that it seemed the lumber committee was paying too much for lumber. It got so bad the chamber of commerce took cognizance of it. Mr. Rhett, president of the chamber, wrote a very disturbing letter to Mr. Scott in which he mentioned a Mr. Sirrine of Charleston purporting to have figures lower than those of the lumber committee itself. A meeting was staged lasting two days. It was found that Sirrine's figures were from brokers' bidding out of thin air, who had no more conception of this thing than—! He threw up his hands. He said, Mr. Rhett, we will set the price for your neighborhood at \$20 for that whole country down there. Rhett said, "Don't do that, you'll ruin our people." In that one discussion he showed how foolish he was. When it came to quantity production it blew out. He was dealing with brokers who thought they could make a strike with the Government. If Rhett himself made this complaint he said the price is too low. Dr. Compton had made a study of the thing and he said it was too low. He said, "You will break these lumber men." During the last three years history was replete with failures of lumber concerns.

**QUESTION.** What is the amount of lumber required?

**Maj. STARRETT.** Twenty-five million feet in each; roughly, 4,000,000,000 feet of lumber—the total annual output of lumber in the United States.

**QUESTION.** How about the price?

**Maj. STARRETT.** \$20.50 is the average. You must know there is a specification. Some run under and some over. If those fellows hadn't done the job the price would have been \$60.

**QUESTION.** Was the lumber in the rough?

**Maj. STARRETT.** Yes; loaded right on the cars.

**QUESTION.** What assistance did you get from the railroads?

**Maj. STARRETT.** Perfectly splendid. Mr. Rodgers entered this thing in a fine spirit. Spirit accomplishes nine-tenths of the thing. Rodgers came in and knew it was an impossibility, and said so. (I am speaking of railroads in all their aspects.) Rodgers had men there the next day. He had to lay the track to get the material in. They had rails laid down right behind where the men were cutting down the trees. These men undertook to give a general service which has been on the whole very fine. At first it had its bugs

in it like the lumber committee. It was a splendid service and it is getting better all the time.

QUESTION. How have you found the railroads' conception of the priority needs of the Government?

Maj. STARRETT. Mr. Willard said watermelons are rotting on the ground while we had trains loaded with lumber. He wanted to send inspectors into the cantonments to judge how long it would take to build them. He came to the conclusion that they would not be finished before the first of the year. In three days we straightened him out and he was all right. It really was unexpectedly fine service.

QUESTION. I'd like to discuss now the question of prices to labor. First, to take up the attitude of organized labor and then your own action, particularly with regard to the necessity for paying higher than normal wages in view of speed as a factor.

Maj. STARRETT. We have not found that was necessary (referring to the last point) as a rule and I have to explain that in this way. The rate per hour has not been increased over the normal rate of that locality. You take the union rate as of June 1, before anything started, and the labor unions have made a memorandum that would be agreeable. It is a law that labor that works more than eight hours must be paid time and a half. Many locations where this work went on this was not an existing standard at all. Right .. the ruling of the Government labor was overpaid.

QUESTION. Did you have two shifts or three shifts?

Maj. STARRETT. There was no occasion. It could not be worked out for the reason the area is so great we could handle only 5,000 men in the six hours. No question of two shifts could arise.

QUESTION. What is the average number of workers?

Maj. STARRETT. It averages about 5,000; peak load, 8,000.

QUESTION. At what stage do you fix a peak load?

Maj. STARRETT. When the thing is two-thirds finished, and right now we are on the peak load in many of the cantonments.

QUESTION. What is the highest price you have been forced to pay carpenters?

Maj. STARRETT. I think it is about 65 cents. I will fill in later.

QUESTION. Will all the cantonments be done by the first of September?

Maj. STARRETT. They won't be all done. There will be shelter and water. This comes from a variety of causes. We did not get the hospitals under way until the last week. You see how it works out; the contractor did not know what he was going to build. They will be ready, but with the injection of these new things all the time there will be parts of the camp not finished by the first of the month. There will be shelter, running water, and storehouses.

QUESTION. I have had more or less irresponsible statements filter down to me from sources I can not fix accurately to the effect that abnormal and high wages are paid to labor on cantonments; that water boys, for example, are paid \$5 a day in some places.

Maj. STARRETT. Absolutely absurd, in every single case. Imagine the situation and see how it could be. Here are the biggest contractors in the country with their 100 per cent efficiency on the job. They desire to serve the country. The Ley Co. could have just as easily as not laid down when the terms of the contract were violated by the Government. He (Mr. Ley) was patriotic, putting a million dollars of his cash in the bank to meet that thing going ahead. Is he going to pay water boys \$5 a day? The Government has a very competent organization, made up of civilian officers, Reserve Corps men who came out of big engineering concerns. Are they likely to pay \$5? It is absurd. Efficiency and economies are closely watched.

QUESTION. What has been the attitude of union labor in general.

Maj. STARRETT. They have wanted everything on earth. This is a private record. Union labor made a compact with the Secretary of War which ought to be on record with you. A board of conciliation was formed to settle these wage and jurisdictional disputes. The labor adjustment commission—

QUESTION. Will be announced in to-morrow's papers. If union labor has made objections in the course of this work what is the nature of them in the main?

Maj. STARRETT. All union men were not hired on the job. The apologetic they have developed in all these years was taken by the nonunion labor around

the camps, and some of the contractors were not recognizing union labor as such. In one case, not authenticated, the contractor was discriminating against union labor.

QUESTION. Has any resulted in specific disputes in cantonments?

Maj. STARRETT. They have been very fine about it. There are no strikes that I know of.

QUESTION. What industrial elements have failed to help you in this work, if any?

Maj. STARRETT. I do not think there is any. I think every industrial element has gone out of its way to help; everyone. We are spending here \$150,000,000 in three months when the biggest year on the Panama Canal was only \$46,000,000. The squeeze of a big thing must produce some friction, although it is not the friction of not wanting to cooperate.

QUESTION. Has that expenditure been evenly divided over the cantonments?

Maj. STARRETT. A cantonment may vary a million dollars. Near the city it will be less expensive, obviously, by roundly a million dollars.

QUESTION. As to the housing of the men themselves, to what extent have you followed European practice?

Maj. STARRETT. From the point of view of the medical I should say we have followed European practice in every particular. We are providing 600 cubic feet of air per man in the barracks we are building, while in European cantonments it is only 360 feet for a man.

QUESTION. How many men are there in a single barracks building?

Maj. STARRETT. One hundred and fifty.

QUESTION. How many buildings on the average are there in a cantonment?

Maj. STARRETT. Two thousand buildings of all kinds.

QUESTION. Mess halls, engine rooms, barracks (everything, etc.), etc. Are they laid off in streets?

Maj. STARRETT. Not only that, but with a view to fire protection fire units are so arranged that only one unit will burn at a time. Splendid fire protection and splendid fire escape facilities—ladders and windows. I do not think any man will be hurt in a quick fire. Barracks are two-story buildings. We got that from various angles. I mean we arrived at that conclusion from various angles. There is an enormous saving in lumber, saving in space they occupy, and land as well. There is saving in shortness of streets and administration, policing; these are obvious statements. On the 16 cantonments there is a saving of \$12,000,000 in these two-story structures.

QUESTION. Why not three or four stories?

Maj. STARRETT. Very obvious. A bigger fire hazard to the men. You can not get down three stories.

QUESTION. Have you had any expression from the British and French commissions in this country as to the construction of these cantonments?

Maj. STARRETT. I have not. There may have been. I do not think any of our outfit has heard of it.

QUESTION. You developed along American lines?

Maj. STARRETT. I can say without fear of contradiction that we can do it anyhow. We are different animals than the European soldiers. We have men who have been educated to medical sanitation, men who have been living on fresh foods and not used to dried foods. Our men are clothed seasonally.

QUESTION. You consider American individualism?

Maj. STARRETT. Yes; all those things. Take sanitation alone. A foreigner would not know what to do with all these facilities.

QUESTION. (A question was raised as to the place of the middle man in the building of cantonments.) What has been your problem in connection with the middleman?

Maj. STARRETT. I might suggest something to you about that. It is detail but important. These various committees have shown good judgment: The lumber committee, pipe committee, and plumbing committee. For instance, we have a middle man dealing with the plumbing committee, but there is a justifying fact in the whole thing that anybody who knows the business will see. When you come to break down into its elements the purchase business you can go so far; then you become ludicrous. When you buy water-closets you buy from 25 manufacturers; bolts, washers, pipe, nickel plates. That is literally true. If we had broken down to original dealers you see where we would have landed. We went to the Crane Co. and made them the committee and all these people agreed to deal and assemble them through the Crane Co. The Government allowed them 5 per cent on cost. Obviously, there is a middle man's profit.

Anybody approaching the subject intelligently will know they rendered the service. Generally speaking, however, we have dealt with all manufacturers without middle men.

QUESTION. Did this assembling company act as a committee?

Maj. STARRETT. Yes.

QUESTION. In preparing parade grounds do you have many problems of grading?

Maj. STARRETT. Yes; in some of them. The military system provides for the training of companies and regiments only as such. The general maneuvers will be done through the countryside. Every cantonment has numerous places where men may drill. A good many of them will have to be leveled off. Where we find them in good condition it is all right.

QUESTION. What is the average area of a cantonment?

Maj. STARRETT. Two square miles; a mile by 2 miles, roughly.

QUESTION. Do you think the congressional mind is becoming resigned to the prosecuting of this work on a business basis?

Maj. STARRETT. I do not come in contact with it very much, but I do know of a different phase where I come in contact with the congressional mind and that is where there is arguing why a certain contractor should have a job. That is largely where I meet them. However, among those men there are some wonderful men with big minds, patriotic—and cooperating to add to it. I have not had the opportunity I would like, to explain this thing to the legislators. There are only six or seven I have had a chance to speak to at a time. I think there should be more contact. We are just as human as they are. We are seeking the best kind of cooperation. Let us tell them our problem. We have no secrets. It is a case of doing things. We have to move. I don't want to move around in academic circles forever but we'd never get anywhere. We must get the facts as close as we can and then move out.

QUESTION. The whole trouble is in getting in contact with the fellows in Congress? You did not have the physical time to get in touch with them?

Maj. STARRETT. They have criticized me and been greatly perturbed because I was not here all the time.

QUESTION. I take it for granted that the relations of your committee with the War Department have been along the lines of a reciprocating engine.

Maj. STARRETT. That is entirely true and the War Department has been very fine about everything. Secretary Baker has taken a keen personal interest in the thing and the officers have been open minded about it. We have had to do some rough things with them. There was a certain officer we wanted removed. He would not function with the machine. I think he wanted to own it. Here was this great outfit of men under him, men who knew more about the subject than he did. They were being short circuited. He made the thing so confused that after two or three weeks of it we insisted that he get out of there.

QUESTION. Do you think, in short, that some of the best brains have been brought to the job?

Maj. STARRETT. Yes. One officer I know of, if he had been in civil life he would make \$25,000 or \$50,000. He knew how to grow as big as his job all night.

This work that we have done should find favor with the Government. We are struggling in every possible way to get a committee set up. Every building activity ought to be brought under one head somewhere. We have approached this thing in a felicitous mood. There are constantly things that tend to disintegrate.

QUESTION. What figure do you set as comprehending the Government's building activities at this time?

Maj. STARRETT. \$500,000,000 worth of building in progress or contemplation.

QUESTION. You feel that as a matter of elementary business this should be handled through one place?

Maj. STARRETT. Labor policy, speed of construction, will be interfered with unless they do that.

QUESTION. We have some memoranda, perhaps from you or Maj. Tuttle, suggesting that you shall have not only advisory functions but powers to direct these things and have actual charge of the work.

Maj. STARRETT. We are sticking to the fundamental principle that every thing is supplementary and not substitutional. It ought to be a function of the Government.

**QUESTION.** In conclusion, further to visualize the immensity of this cantonment work, can you give a number of round figures as to quantities, the number of carloads of lumber, say, to visualize this from the lay point of view?

**Maj. STARRETT.** We have here under order 12,000 cars at this minute. There are 4,000,000,000 feet of lumber involved, drawn from 180 lumber mills throughout the country. There are three to four hundred miles of finished surface roads, not including roads approaching the cantonments which will run into a few hundred miles. There is involved thousands of miles of pipe; between one and two thousand miles of pipe for the water supplies and an equal amount of nearly a thousand miles of sewage or drainage pipe; hundreds of carloads of nails. It takes a carload of tacks alone to put tar paper on the roofs. We have estimated that every cantonment will handle about 5,000 cars during its construction of all kinds of miscellaneous materials and a contractor will have to have facilities and be prepared to handle roughly 50 cars a day; at peak load 150 cars. I saw a picture of Fort Riley with 170 cars per day.

**QUESTION.** That does not include supplies from the quartermaster?

**Maj. STARRETT.** They will come in about the 15th of this month.

**QUESTION.** There is one thing slipped my mind. What has been the nature of the legal talent that you have put on the work of drawing contracts?

**Maj. STARRETT.** All contracts came under the legal department of the General Munitions Board under Mr. Bulkley and his associates. They must have taken the most extraordinary care. The Judge Advocate General, the auditor, the accounting departments of the Government; they got all their opinions on how these contracts would work. They were carefully supervised. It was ably done.

Getting back to the matter of quantities. The commissaries are fitted to feed 8,000 to 10,000 men at a time. The pay rolls in a single week may run as high as \$150,000. That money has to be brought there in currency, counted, and paid to the men. It is a colossal job. The force representing the Government, the time keeping and checking runs to about 100 men on each cantonment, and the contractor has an equal number of men. On one job they had a foreman's meeting every morning—300 to 500 men alone to hear about the policy, to discuss plans and progress. There isn't any contractor I know of, that is, the principal man of each organization, who hasn't gone on the job and lived there. He has quit normal business to do that work.

**QUESTION.** There has been a fine esprit de corps?

**Maj. STARRETT.** Splendid; yes.

**QUESTION.** I suggest that you furnish, to be attached to this record, a statement by way of graphic and specific illustration of the various buildings in a cantonment.

**Maj. STARRETT.** I will get that for you.

**QUESTION.** In that connection, what material did you make streets of?

**Maj. STARRETT.** Various materials in the various localities. The science of road building is adapting the material found with the road built. Streets generally are finished with hard surface, with asphalt, or else by the penetration method of letting oil soak down into the road. In many cases cement and in other cases brick were used. That brings up an interesting thing. The Secretary of War ordered the road contract to be taken up on the site. The department of roads sent a road expert and got in touch with the men on the job.

**QUESTION.** Did they use cement to a great extent?

**Maj. STARRETT.** There is no great use for cement—only the bases for buildings. Only about 20 carloads are used in a cantonment.

**QUESTION.** How about painting?

**Maj. STARRETT.** No painting so far, and I doubt if they will. By the way, these can be made very permanent structures, at least for a great many years. There are four fire departments in each cantonment; a police force of 200 men. There is a separate fire-fighting force and a separate fire-investigating force, policing just for fires alone, set up by the board of underwriters. There were 32 fires in 16 days at the Ayer camp.

It is all kind of hard to visualize. What you really ought to do is to take a view of this some day in an automobile.

**QUESTION.** That is all for the present, I think, Major. Thank you very much.

**Mr. CHANTLAND.** I also desire to offer in evidence a memorandum from Mr. Leonard Metcalf to Mr. Starrett, dated June 8, 1917. Mr. Metcalf was referred to by Mr. Starrett in the hereintofore printed

conversation as the one called in by Mr. Starrett who had largely to do with the letting of contracts by them. The letter is as follows:

WAR DEPARTMENT,  
OFFICE OF THE QUARTERMASTER GENERAL OF THE ARMY,  
Washington, June 8, 1917.

Memorandum to Mr. W. A. Starrett, chairman committee on emergency construction of buildings and engineering structures.

The following is taken from letter written by Mr. R. H. Thomson, commissioner of public works, Seattle, Wash., addressed to me under date of May 25, 1917:

"One of the particular things which I was attempting to avoid was carrying on the work on the basis of cost plus a fixed sum, believing that if that were done, it would tend to more completely demoralize the labor market in this territory than it is already demoralized."

LEONARD METCALF.

Mr. CHANTLAND. I also desire to offer in evidence the following extract from the report of the Federal Trade Commission as to the cost of cement. It is as follows:

APRIL 22, 1918

Supplemental memorandum concerning the cost of producing Portland cement: In the second half of 1917, prepared by the Federal Trade Commission for the price fixing committee of the War Industries Board.

There is transmitted herewith Table 3, supplemental to Tables 1 and 2, transmitted with a preliminary memorandum on Saturday, April 20.

Table 3 shows the investment per barrel of cement produced for the years 1916 and 1917, together with a statement of estimated profits based on an allowance of 10 per cent on investment over and above the 1917 costs. The last column shows the percentage of profit on investment that would result if the various companies is a price of \$1.35 per barrel be assumed.

Your attention is called to the fact that the following ranges of cost plus 10 per cent in the different sections:

	Low.	High
Northeastern section.....	\$1.02	1.14
Middle west section.....	1.14	1.17
Michigan section.....	1.17	1.20
Southeastern section.....	.79	.82
West central section.....	.85	.88
Rocky Mountain section.....	.82	.85
Pacific coast section.....	1.31	1.34

<sup>1</sup> Eliminating Choctaw.

An allowance of \$1.35 per barrel would yield profits running as high as 37 per cent in the northeastern section; as high as 25 per cent in the middle western section; as high as 53 per cent in the southeastern section; as high as 57 per cent in the west-central section; and as high as 70 per cent in the Rocky Mountain section. In the Pacific coast section \$1.45 per barrel would yield 11 per cent in the case of one company and result in a loss of 3 per cent in the case of another company.

In a majority of the sections it is apparent that \$1.35 would yield a profit of between 20 and 30 per cent on the bulk of the production.

Investment figures have not been available as of December 31, but the percentages are indicated carefully in the notes to the tables. In a few instances furthermore, it has been necessary in making up the cost plus 10 per cent figures to take costs for a period of months somewhat less than the full year 1917, as indicated in the notes.

Mr. McKENZIE. The committee will stand adjourned until January 13, 1920.

(Thereupon at 5 o'clock p. m. the committee adjourned.)



SUBCOMMITTEE No. 3 (CAMPS)  
OF SELECT COMMITTEE ON EXPENDITURES  
IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
*Washington, D. C., Tuesday, January 13, 1920.*

The subcommittee met at 10 o'clock a. m. pursuant to call of the chairman, Hon. John C. McKenzie.

Also present, Hon. Frank E. Doremus.

Mr. McKENZIE. The committee will please come to order.

We have present with us this morning Mr. J. H. Goeke, a former Member of Congress from the fourth Ohio district.

Mr. Goeke is here representing the A. Bentley & Sons Construction Co., and desires to offer certain statements for the record.

We will now be pleased to hear what Mr. Goeke has to say.

**STATEMENT OF MR. J. H. GOEKE, FORMER REPRESENTATIVE  
FROM THE FOURTH OHIO DISTRICT, LIMA, OHIO.**

Mr. GOEKE. Mr. Chairman and gentlemen of the committee, I first desire to thank you for giving us additional time to prepare our statement. I appear on behalf of the A. Bentley & Sons Co., Toledo, Ohio, who were the contractors in the building of Camp Sherman, at Chillicothe, Ohio. I represent them in connection with Marshall & Fletcher, of Toledo, Ohio, and we first wish to offer for your consideration, as a part of your record, a statement in behalf of the A. Bentley & Sons Co., sworn to by James Bentley, the vice president of the company; and appended thereto is an appendix containing the statements of Mr. Hollingsworth, the general superintendent, a brief outline of who he is and his former experience in that character of work, and a statement by Mr. Wisenall, who has been frequently referred to in the testimony, and a chart of the organization. The latter is a camp organization chart. It is at Camp Sherman. There is also in the appendix the A. Bentley & Sons organization chart, and then, in conclusion, there is a statement by George D. Auchter.

Now, of course, I realize, Mr. Chairman, that the charts can not very well be incorporated in the record, and we will leave them here for the committee for its inspection.

In that connection, I also desire to offer for your inspection and the use of the committee the construction program map of the division as it existed at Chillicothe cantonment—which, of course, can

not be incorporated in the record, but leave them with the committee—and also three organization charts of the A. Bentley & Son Co. of the camps.

I also desire to introduce a large number of photographic views showing the progress of the work at Camp Sherman from its inception to the end. I leave them, also, with the committee for its inspection, if the committee desires to examine them. Of course, it is impossible to make them a part of the record.

Mr. McKENZIE. Let me ask you, Mr. Goeke, if the statement of Mr. Bentley is sworn to?

Mr. GOEKE. Yes, sir; it is sworn to. I have a copy here. I handed a copy of it to Mr. McCulloch yesterday. I did not have an additional one to bring at that time. This is one that is sworn to by all the persons.

(The affidavits and statements above referred to are printed in the record in full, as follows:)

STATEMENT IN BEHALF OF THE A. BENTLEY & SONS CO., TOLEDO, OHIO, CONTRACTOR, CONCERNING THE CONSTRUCTION OF CAMP SHERMAN, BY JAMES BENTLEY, VICE PRESIDENT.

[Before the Select Committee on Expenditures in the War Department.]

*To the Select Committee on Expenditures in the War Department:*

The impression given out to the public through the newspapers has been that we have been guilty of the meanest and most contemptible of all crimes—thieving from our Government in time of war.

It has been made to appear in the newspapers that we were likely or liable to be indicted and that we were likely or liable to be sued by the Government for large amounts, and that we were not permitted to participate in the hearings or to give testimony because it was necessary to avoid giving us immunity that we had grafted or stolen large amounts from the Government and that we had received excessive compensation for our work and had wasted Government property.

While this committee is, of course, under no responsibility for the manner in which newspapers have handled the testimony taken before the Subcommittee No. 2, we feel confident that it will make such a complete and thorough investigation of the facts as to remove every ground of unjust suspicion, however ill founded.

So far as we are concerned, we welcome the most thorough and searching investigation, and now offer to the committee all the records and facts in our possession, and we give assurances that we shall spare neither trouble nor expense to produce for examination any former employee of this company or other witness who can throw any light upon the matters under inquiry. We will neither ask nor accept immunity.

We are not informed whether the object of the investigation is to determine the propriety of the form of the contract or system of contracting adopted in the construction of Camp Sherman, or whether the investigation is to determine whether our performance was honest or otherwise.

We have no interest in showing that the system of contracting adopted was either proper or improper, but it is necessary for us to discuss the contract at some length to show that the more work we did after the \$4,166,000 cost was reached the less our net compensation was.

We shall show that notwithstanding the impressions of uninformed witnesses to the contrary our maximum fee of \$250,000 was subject to charges and deductions which increased as the volume and cost of the work increased so we actually received less for doing over \$9,000,000 of work than we would have received had the cost been limited to \$4,166,000.

THE CONTRACT FOR CAMP SHERMAN WAS NOT SOLICITED BY US.

The first knowledge that this company had that contractors of the country might be called upon to undertake large construction work for the Government

came when it received a questionnaire asking that it list its facilities and place itself at the disposal of the Government should request for its services be made.

Some time afterwards a second questionnaire was received asking for the same information in greater detail.

About this time the vice president of this company (James Bentley) was in Washington and there casually met Maj. Starrett of the Construction Division, and was then requested by Maj. Starrett to fill out the questionnaire and list this company for Government service.

The acquaintance of our officers and Maj. Starrett was limited to such as was connected with the construction of a department store in Toledo upon which Maj. Starrett was the architect and this company was the contractor.

The vice president of the company stated to Maj. Starrett at the interview above mentioned that he doubted whether this company should be considered as available for Government work for the reason that it had on hand a large amount of work then in course of construction, and it did not wish to undertake anything it could not finish with credit to itself.

We were given to understand that our company would be put on the list from which would be selected the contractors to build the 16 large camps. We were naturally gratified to be so recognized and set about making tentative plans and preparations for the work in case it was awarded to us.

Nothing definite was heard about the matter for some time, but later Maj. Starrett informed the vice president of this company that the Construction Division had concluded to award the construction of Camp Sherman to another firm of contractors. This was about June 19, 1917, and from that time until the actual awarding of the contract it was supposed the contract had been awarded to others. About this time it appeared in the newspapers that the firm of Crowell, Lundorf & Little, of Cleveland, had been selected as contractors for the construction of Camp Sherman.

The next this company heard of the matter was when (about June 21, 1917) a man by the name of White came into the office unannounced and asked for a position as superintendent on the cantonment at Chillicothe. White was told that he should go to Cleveland, as Crowell, Lundorf & Little had the work, but he answered that that was a mistake as he was an employee of Crowell, Lundorf & Little and they had just received word that the contract had been awarded to The A. Bentley & Sons Co., and that he, White, had hastened to Toledo to apply for a position.

We immediately telephoned Washington and received a confirmation of the award of this contract. The vice president of the company then went to Washington, and on Saturday, June 23, 1917, had a very short interview with Maj. Dempsey and was given the form of contract and a form of bond to fill out and sign with instructions that both documents must be returned by the following Tuesday with appropriate certified copies of resolutions of the directors of this company authorizing execution.

Upon these facts the committee must be satisfied that this company did not solicit this work, unless the filling out and delivery of the questionnaires can be considered solicitation.

#### THE FORM OF CONTRACT.

This company had nothing whatever to do with the form of contract for the construction of Camp Sherman. When the vice president of this company went to Washington the form of contract was delivered to him by Maj. Dempsey, together with the bond. When Maj. Dempsey handed these papers over he pointed to the place provided for signature and said:

"You will sign the contract here by your president and secretary and you will affix your seal; you will sign the bond here; you will provide a surety company as surety; you must not pay more than 1 per cent for the surety bonds; you must return the papers executed by Tuesday."

In this way and in a very few minutes Maj. Dempsey let over \$50,000,000 of contracts.

This interview with Maj. Dempsey was on Saturday, June 23, 1917. A hasty examination of the contract disclosed a number of features which appeared to be distinctly unfavorable to the contractor undertaking the work, such as the provision that the contractor should only be reimbursed for such costs as the Government representative should approve, as this apparently gave the representative the right to question and disapprove costs incurred honestly and in good faith by the contractor.

Other officers of the company and its attorney were summoned to Washington and a conference was held at the New Willard Hotel, at which it was decided to accept the contract. The officers other than the vice president returned to Toledo, where a formal meeting of the board was held to authorize the execution of the contract. The vice president remained in Washington to gather information as to the work required to be done. He summoned Mr. Hollingsworth, the general superintendent on the work (hereinafter referred to), to Washington by wire, and Hollingsworth left on the Monday following for Chillicothe, when the work was started. Thus it will be seen that this company had no part in fixing any of the details, provisions, or conditions of the contract, but that it was required to, and did, accept the contract in the form tendered to it.

#### FEE OF CONTRACTOR.

Coming now to the terms of the contract it will be seen that the compensation of the contractor was fixed on a sliding scale, with a maximum base: upon the cost of the work, the percentage being steadily reduced as the cost increased, with a final limit of \$250,000 as the maximum compensation which would be paid for the services of the contractor, no matter how large the work might be or how great the expenditure.

It will be seen that the percentages allowed for the work would provide a compensation of \$250,000 for the contractor when it had performed work of the cost or value of \$4,186,666.66.

The following is the contract provision in respect of the fee or compensation to the contractor for this work.

#### ARTICLE III.

*"Determination of fee.*—As full compensation for the services of the contractor, including profit and all general overhead expense except as hereinafter specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed a fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

"If the cost of the work is under \$100,00.00 a fee of ten per cent (10%) of such cost.

"If the cost of the work is over \$100,000.00 and under \$125,000.00 a fee of \$10,000.00.

"If the cost of the work is over \$125,000.00 and under \$250,000.00 a fee of eight per cent (8%) of such cost.

"If the cost of the work is over \$250,000.00 and under \$266,666.67 a fee of \$20,000.00.

"If the cost of the work is over \$266,666.67 and under \$500,000.00 a fee of seven and one-half per cent (7½%) of such cost.

"If the cost of the work is over \$500,000.00 and under \$535,714.29 a fee of \$37,500.00.

"If the cost of the work is over \$535,714.29 and under \$3,000,000.00 a fee of seven per cent (7%) of such cost.

"If the cost of the work is over \$3,000,000.00 and under \$3,500,000.00 a fee of \$210,000.00.

"If the cost of the work is over \$3,500,000.00, a fee of six per cent (6%) of such cost.

*"Provided, however,* That the fee upon such part of the work as is represented by payments to subcontractors under subdivision (b) above, shall be each of the above contingencies be five per cent (5%), and no more, of the amount of such part of the cost.

"The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor. for no other purpose.

"The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof, not exceeding seven per cent (7%), as the contracting officer may determine.

"The total fee to the contractor hereunder shall in no even exceed the sum of \$250,000.00, anything in this agreement to the contrary notwithstanding."

Within perhaps two weeks after the work was started on Camp Sherman everyone connected with the project knew that the work would and must cost

more than \$4,000,000 because of the magnitude of the program and the changes and increases continually being made.

As a matter of fact, the total expenditures on this camp under the contract with this company, made between the date of the letting of the contract and November 28, 1917, amounted to nearly \$9,650,000. The expenditures made direct by this company amounted to \$8,461,504.96, and the total expenditures of the Government were \$9,650,000; that is to say, the expenditures of the Government within the terms of this contract were \$9,650,000, and had there been no maximum fee, compensation would have been computed on that amount. Thus it will be seen that the gross compensation received by this company for its services in the construction of Camp Sherman amounted to about 2.6 per cent of the total cost.

From an inspection of the contract it will be seen that it was contemplated that the Government was to furnish the money when and as needed for the payment of pay rolls, materials, and other costs. Because of the inability of the Government to expand its organization to meet the exigency it was impossible for it to comply with this provision of the contract, and the result was that three pay rolls, of something like \$400,000 each, aggregating something like \$1,200,000, not to mention large amounts for materials and equipment, had to be provided for before payment was made by the Government, and because of the failure of the Government to make prompt payments according to the terms of the contract this company was obliged to borrow large amounts of money and use its own funds. We can show to the complete satisfaction of this committee that because of the failure or inability of the Government to make prompt payments this company was obliged to expend something like \$8,767 for interest on money borrowed, for which it was never reimbursed by the Government, and which amount, of course, is a proper deduction to be made in ascertaining the net compensation received by this company.

If your committee is interested in ascertaining the net compensation received by this company for the work, we will produce proof that we paid out over \$12,085.13 for public liability insurance and automobile insurance, which, by the terms of the contract, unless approved in advance, was required to be carried without reimbursement. This, too, is a proper deduction to be made in ascertaining our net compensation.

The committee will notice annexed to the contract a schedule of the rentals authorized to be paid for the use of the machinery or equipment on the work, and the committee, of course, is informed that the construction division and the construction quartermaster approved the rate of compensation for all superintendents and foremen and fixed the rates for all workmen.

If this committee desires to be informed as to the net compensation received by this company, we will show that in order to perform this contract acceptably and to give the best service we paid Mr. Hollingsworth a larger salary than that provided or allowed by the Government, and in some cases we paid a higher rental for equipment than those allowed by the Government schedule. We voluntarily assumed and paid this excess salary and these excess rentals out of our own compensation, and we were not entitled to be reimbursed therefor, and we were not reimbursed therefor. The fact that we voluntarily paid out this excess salary and these excess rentals indicates our desire to do the work acceptably, and in ascertaining the net compensation received by this company for the work such items of payment of excess costs are, of course, deductible. The excess costs so paid were \$10,700.

When this contract was taken it was contemplated that this company should pay its proper income tax and excess profits taxes out of profits arising from the construction of Camp Sherman and other work. We believe the subcommittee has in its possession facts and figures showing the amount of these taxes paid by this company for the year 1917, from which it can readily compute the proportion of such taxes chargeable to or accruing from the compensation received by us for the construction of Camp Sherman.

Our accountants are prepared to establish to the satisfaction of the committee that the amount of such taxes accruing from or chargeable to the compensation received for the construction of this camp amounted to \$61,063.83.

In the determination of the net fee received by us a proper proportion of such taxes should be deducted.

The contract provided that this company was not permitted to charge to the work, and it did not charge to the work, and it was not to be reimbursed by the Government for, any main office expense or the salaries of any of its officers.

The performance of this work required large additions to the working force of the head office and required the constant services of the vice president, treasurer, and other officers, and a proper deduction should be made from the gross fee on account of the head office and other overhead expense for which this company was not entitled to reimbursement.

We shall be pleased to furnish on request the facts as to all of these items in such form and detail as may be required by the committee.

We now point out these items to the committee so that it may be seen that the maximum fee for compensation payable to this company on account of the construction of Camp Sherman was \$250,000, and that from that compensation must necessarily be deducted such amounts as were paid out or expended by this company for interest, insurance, excess costs, taxes, overhead expense, and other items for which it was not entitled to reimbursement, so that it is apparent on the face of this contract that the net compensation of this company or any company undertaking the work must be a great deal less than the maximum fee allowed under the terms of the contract.

In the opinion of our accountants, the following deductions may properly be made from our gross fee:

*Statement of net earnings, Camp Sherman, Chillicothe, Ohio.*

Fee obtained in accordance with contract.....	\$250,000.00	
Less:		
Interest paid on borrowed money.....	\$8,767.00	
Premiums paid on insurance—		
Public Liability.....	11,585.13	
Automobile.....	500.00	
Premium paid for bond to Government.....	2,500.00	
Rentals paid for equipment in excess of amounts		
paid by Government.....	700.00	
Salaries paid to employees in excess of amounts		
paid by Government.....	10,000.00	
Proportion of general overhead expense.....	85,147.50	
Proportion of income tax paid.....	61,063.83	
		190,263.46
Total net compensation.....		\$59,736.54
Percentage of net compensation of cost of camp.....		23.9%

We are prepared to show the committee that this result was inevitable from the beginning of the contract to its conclusion, and must be said to have been contemplated by those who prepared the contract.

This investigation will demonstrate that our net compensation for the construction of over \$9,000,000 of work was no more than \$59,736.54. We are confident the committee will find that such compensation to us was at least very reasonable.

**CIRCUMSTANCES WHEN CONTRACT WAS ENTERED INTO.**

As we have stated above we have had no part in the fixing of any of the terms, conditions, or provisions of this contract or in determining the type of contract to be used in connection with this work, and we do not feel called upon to justify the contract or system.

We submit, however, that this committee can not determine the propriety of our performance of the contract without looking at the facts and circumstances as they existed at the time these contracts were entered into. It seems unnecessary for us to lengthen this statement by showing that in June, 1917, it was imperatively necessary that this country raise, train, and equip an army of several million men, and that the peril of the Nation was such that these men must be put in training in the shortest possible time.

To assemble the men where they could be trained and equipped for the defense of the Nation, it was necessary to provide camps which must be available for use the moment the men were called into service. It was known the latter part of June that the camps must be ready for occupancy not later than September 5, 1917, when the first contingents of the selective draft were to be received.

The committee should consider the situation then confronting the country. Not only were 32 camps required to be built to meet the needs of the War De-

partment, but this work must be done at a time when all the resources of the Nation were being mobilized for the construction of buildings necessary for the war, to say nothing of the necessity for the preparation of war materials.

It was then obvious that the construction of these camps within the time limited was an utter impossibility if the persons in charge of the construction were to be at liberty to seek the necessary labor from any and every field and in competition with each other, and so it was ordered and required that the labor for the construction of each camp, except some plumbers, should be drawn from the immediate vicinity of the camp. Thus it was that the 48,000 men employed from first to last in the construction of Camp Sherman were drawn from the State of Ohio and immediate vicinity, exclusive of the vicinity of Dayton, where the camps for the air forces were located.

It was then obvious that the materials necessary for the construction of these camps and for other Government work could not be drawn from any and every source of supply, but the materials must be mobilized and distributed in such manner as to best expedite the work on each camp and avoid competition for materials.

It must be borne in mind that before the contract was entered into the Government had assumed control of both labor and materials, so that the contractors undertaking construction work were obliged to purchase practically all materials and acquire labor at places and at prices fixed in advance by the Government. We were only permitted to purchase 25 per cent of materials locally, and only when absolutely necessary and approved by the contracting officer, as permanent injury to the business of the country would be done if local stocks were depleted.

Each of the camps required to be built consisted of something more than an aggregation of sheds or houses for protection of the men from the weather. The necessary part of each camp was the railroad tracks and system, water supply, sewer system, lighting system, laundries, bakeries, hospitals, refrigerating plants, garbage-disposal plants, and the other facilities essential for the proper assemblage and training of the men under modern and sanitary conditions.

Up to the time that these contracts were let for the construction of these camps the Construction Division of the War Department had not prepared anything like the plans, specifications, and details customarily furnished on private work, and it was necessary to have the work progress as the necessary plans were being developed and made.

The exact requirements of each camp could not be determined in advance of the letting of the contracts, nor could anyone fix the location of each building or equipment to be provided in or in connection with each building.

Our surces of supply of materials and labor were limited and fixed by the Government. Prices to be paid were either fixed by the Government in advance or fixed as the work progressed, and there was no element of cost within our control, excepting only that the cost would be greater or less depending upon the efficiency or inefficiency of our own work of supervision and management.

We undertook the work knowing that our maximum compensation was fixed and knowing that our maximum compensation would have to be drawn upon to meet the various items and expenditures for which we were not to be reimbursed, and we did not know at the time the contract was entered into or at any time while it was in process what work we were to be called upon to do until we received the definite orders for such work.

#### THE CHARACTER OF MEN EMPLOYED ON THE WORK.

In the consideration of this subject your committee is entitled to know the character of our organization and the character of the men selected by us to have charge or supervision of the work.

The business of this company was started by Anderton Bentley, about 1875, and was conducted by him as a private business until 1893, when a partnership was formed between Anderton and James Bentley, under the name of A. Bentley & Son; later another son, Thomas Bentley, came into the firm, and was changed to A. Bentley & Sons. In 1907 Mr. Anderton Bentley retired from business and the present corporation was formed under the name of The A. Bentley & Sons Co.

This concern has consistently carried on a building construction business, and since 1875 it has built almost every conceivable kind of structure, from the smallest house to some of the largest structures in the United States. In 1917, when this contract was tendered to it, it had under way about \$4,000,000 of

work, including five large powerhouses, a department store costing about \$1,500,000, some bank buildings, and several industrial and office buildings. We think we should say that we have specialized in what might be called rough work, such as power houses, factories, filter plants, warehouses, rather than ornamental work, such as post offices, art museums, or work of a fine nature. When Maj. Starrett asked us to list our company for this work he said our training exactly fitted us for the work.

This company has at this date under construction work which will cost approximately \$6,500,000, all of which has been trusted to it by private persons under the so-called cost-plus form of contract.

At this time and in 1917 this company had in its employment or had available a large force of experienced men, competent to act as superintendents and foremen in the direction of this work. It had an accounting force capable of expansion to meet the demands of these contracts. It had a purchasing department, traffic divisions, and other divisions which would necessarily be called upon for service in connection with this work.

All of these divisions were necessarily required to expend to meet and do the work called for by this contract.

This company selected for the Camp Sherman work the very best men available, and inasmuch as the work required the assemblage of a large number of workmen from other towns in Ohio, and the feeding, housing, and care of such men while on the work, it was concluded to call to the assistance of the company a man who had a large experience in the handling of labor under like circumstances, and so this company employed Mr. C. H. Hollingsworth as general superintendent.

It should be noted while on this subject that the testimony of one of the witnesses called by the subcommittee charged Mr. Hollingsworth with having deliberately employed excessive labor and with deliberately concealing labor about the camp, apparently with the view of mulcting the Government of the percentage payable to this company on the wages of such labor. That Mr. Hollingsworth is charged by this testimony with the meanest conceivable fraud upon his Government.

We ask the committee to consider in connection with this testimony the fact that Mr. Hollingsworth's brother was killed in the war and his two sons went into the Canadian Flying Corps, and that one of them, after participating in a number of battles, was shot down behind the German lines, was wounded and taken prisoner, and has but recently been released and returned to this country.

We ask the committee to determine whether it is conceivable that a man who had two sons in the service would commit a crime so contemptible and detestable as charged by this testimony.

We annex a statement showing the training of Mr. Hollingsworth in this work.

Another of the men against whom particularly vicious attack has been made by the testimony is Capt. Tregellis, our superintendent of transportation.

In connection with the building of Camp Sherman it was obviously necessary to transport men and materials from one point to another in the camp and when it is considered that 48,000,000 feet of lumber were hauled to the place and that 48,000 men were employed on the camp from beginning to end, the character of the transportation problem can be understood. It was necessary for us to employ a man who had had previous experience in handling materials and men, and we selected Capt. Tregellis.

He had served in the British Army in the Gallipoli campaign as master of transport, and was wounded there. He recovered and served in France as master of transport until he was so badly wounded that he was invalided out of service and pensioned for life, but with a spirit stronger than a maimed body he brought his ability and experience to this country and entered our service as superintendent of transportation in a civilian capacity though he could no longer fight. In addition to that experience Capt. Tregellis had had charge of transportation service for S. Pearson Sons Co. in the Mexican oil fields and had owned and operated mule transports in South America. (The British Board of Pensions recently sent Capt. Tregellis to California in the hope that he may recover his health, though the result is doubtful.)

This is the kind of a man who has been assailed by the testimony of an exconvict.



In considering our organization before and during the construction of Camp Sherman, the committee should understand what properly comprises a contractor's organization.

A manufacturer maintains at all times a complete and permanent organization, but a contractor is obliged to organize his forces for each item of work, because he seldom knows when the work will come to him. He may have several jobs of work given to him at about the same time and have them all in progress at the same time, or there may be intervals between the completion of one job and the commencement of another.

No two jobs are alike and no two require the same organization.

A contractor's organization, therefore, consists primarily of the heads of departments, such as his engineers, chief superintendent, and several superintendents, accounting force, etc., but the contractor knows where to get the men to expand his organization whenever necessary.

Our records and those of Mr. Hollingsworth cover many years of experience, so that when we need a superintendent, a foreman, or other employee, we can turn to our records and find the man we want.

We believe that it is unnecessary for us to point out to the committee that no contractor in the United States has an organization big enough to supply the men required to construct one of these camps, and that every contractor was obliged to do exactly what we did—round out and expand his organization to meet the situation. To illustrate, we know of no contractor in the United States with a commissary organization instantly available and large enough to feed, house, and care for 11,000 men.

If the committee will ascertain the facts and compare the permanent or standing organization of the various large contractors in the United States, we believe that it will be found that our organization is as complete as any, the consideration being given to the volume of work normally handled by each concern.

Considering equipment as a part of organization, we believe that it will be found that we own and carry normally more equipment for the volume of work done than most of the contractors in the United States.

Many contractors of fine ability and standing do very large amounts of work annually on practically no equipment, but rely on rented equipment.

At the present time our equipment will inventory at least \$275,000.

#### SALARIES OF OFFICERS, SUPERINTENDENTS, AND FOREMEN.

The contract excluded from the cost of the work the salaries of our officers and head office expense, and no such items were included. Our general overhead expense was not paid by the Government as a part of the cost of the work, but was carried and paid by us. In ascertaining our net compensation such officers' salaries, or rather our general overhead expense, should be deducted from our maximum compensation.

There has been some criticism of the salaries paid to superintendents and foremen at the camp. All these salaries were approved by the construction officer. In considering these salaries we ask the committee to keep in mind that our men had to maintain their homes and families as usual and in addition had to pay their own living expenses at Chillicothe and such traveling expenses as were incurred in going back and forth to visit their families.

The salaries had to be fixed at a point that would attract and hold good men. In all cases the salaries were fixed by the construction officer. Considering every element we were of the opinion that the salaries approved by the contracting officer were reasonable and no more than should be paid.

#### GOVERNMENT SUPERVISION OVER OUR WORK.

The contract stated that we were required in the shortest possible time (not the shortest practicable time) to furnish the labor, material, tools, machinery, equipment, facilities, and supplies and do all things necessary for the construction and completion of the buildings and utilities of Camp Sherman in accordance with the drawings and specifications furnished by the Government contracting officer, and subject to his supervision, directions, and instructions in every detail; and changes and additions were permitted to be made at any time and from time to time by the contracting officer. The contract by its

terms covered all such changes, modifications and additions with the same effect as if they were embodied in the original drawings and specifications.

It was provided that we were to be reimbursed for such of our actual net expense in the performance of the work as might be approved or ratified by the contracting officer, including only such as were set forth in the contract.

The contracting officer, by the terms of the contract, was given full access to the property and the work and material, and to all books, records, receipts, vouchers, and memoranda pertaining to the work.

The contract stipulated the hours and conditions of labor and the contracting officer was given complete control over all wages, hours, and other matters appertaining to the labor on the work.

The contract provided that we were to do such work as from day to day we were required to do by the contracting officer, and that we were required to do this work under his supervision and direction, and that we were to be reimbursed only for such of our expenditures for labor and material as the contracting officer should approve.

The contracting officers designated from time to time on the work were Maj. W. A. Dempsey, Col. I. W. Littell, Col. R. C. Marshall.

The construction quartermaster designated on the work was Capt. (now Col.) Dabney, whose history and record is available in the War Department.

Capt. Dabney's assistant was Capt. T. E. Rhoades.

The following shows something of Capt. Rhoades's qualifications for the work:

Full name: Theodore Eckford Rhoades.

Education: Cornell University, civil engineer.

1890-1900: With the Hall & Grant Construction Co., superintendent in charge of building construction.

1902-1917: With the A. R. Whitney, Jr., Co. and their successors, the Whitney-Steen Co. and their successors, the Whitney Co., as follows: 1902-1903, building superintendent; 1903-1905, representative in the Republic of Mexico in charge of construction; 1905-1911, general superintendent, chief engineer of the Whitney Co.; 1911-1917, vice president and general manager of the Whitney Co.

Note.—During this period Capt. Rhoades constructed about \$50,000,000 worth of buildings, including the Mutual Life Building, in Mexico City; the L. C. Smith Building (42 stories), in Seattle; half a dozen buildings in Denver, Colo.; buildings in Salt Lake City, Butte, Augusta (Ga.), Charleston (N. C.), Boston, Lawrence, New York, New Jersey, including residences, power houses, churches, office buildings, dikes and dams, sewers, water-supply systems, hospitals, temples, factories, lofts, warehouses, etc.

1917: Commissioned captain of Engineers, officer in charge of construction at Chillicothe cantonment.

1917-1919: Overseas with the A. E. F.

1919 and present: Vice president and general manager of the Fred F. French Co., architects, engineers, and builders, in charge of about \$5,000,000 worth of work.

The construction quartermaster had available for his assistants in the work of supervision a corps of auditors and others comprising a force of subalterns.

The construction quartermaster fixed from time to time the rates of wages we should pay the different classes of workmen, and we paid only such wages. He approved from time to time all purchases of material, not only the price to be paid but the quality of the material to be furnished, and he or his assistants inspected and checked all materials received and used on the work.

He approved the prices, rate, or terms of each and every subcontract involved in the work, such as the subcontract for plumbing.

As heretofore stated, we were allowed no discretion in the wages of labor or the prices of material. Our sole function and duty was to acquire and secure the necessary labor and material and do the work under the immediate and daily supervision and direction of the contracting officer.

The contract required us to deliver to the contracting officer when any payment was made to us all invoices, all documents, and supporting papers necessary to prove the propriety of the expenditure by us of the item for which we were paid, and in each and every case the contracting officer or his assistants audited and approved each item while the facts and circumstances were fresh and open to investigation. We were not only subject to such current direction

and supervision and to such current audits, but when the work was completed a complete audit of each and every item of expenditure to the last penny was made by the War Department.

Under Article IV of the contract we received from time to time partial payments on account of our compensation. Final payment will not be made until a complete audit of every expenditure and item has been made by the War Department.

We believe the committee will not assume without complete and convincing proof that Col. Dabney or any of his assistants failed in the performance of their duty, or that the directions they gave us from time to time in respect of this work were improper, or that any payments made to us were improper; and we submit something very convincing will be required to satisfy this committee that the contracting officer or his assistants were incompetent or negligent, or that we were negligent, or that a dollar of Government money was improperly received by us.

The claim that we deliberately increased the cost of the work for the purpose of increasing our compensation is preposterous.

The suggestion made by whoever made it, or whoever cares to make it, that we deliberately increased the cost of this work for the purpose of increasing our compensation is completely met by the facts, which show conclusively that from the moment the work was started it was obvious to everyone that we would be called upon to do more work than the amount required to entitle us to our maximum fee; that we would be required to assume and pay out of our gross compensation the items we have enumerated above, which would operate to reduce our net compensation to a very low figure; and that no matter how much work we did our compensation could not be increased, and the more work we did the greater would be the amount we would be required to expend out of our gross compensation for the items above enumerated.

The fact that we constructed work costing over \$9,000,000 for a maximum compensation which was earned when we had constructed work costing \$4,466,000 demonstrates beyond a quibble that it is sheer nonsense to suggest the charge that we so increased the amount of the work for the purpose of earning additional compensation.

Under the terms of the contract and the circumstances herein outlined we could only get more money than our fixed maximum compensation by falsifying pay rolls, or falsifying invoices, or by "raking off" percentages or commissions in the purchase of materials.

The control of the pay rolls, keeping of the time of the employees, was assumed by the contracting officer.

The contract required us to take advantage of all discounts available, and whenever unable to take such advantage to promptly notify the contracting officer of our inability and the reasons therefor.

All revenues from the operation of the commissary or hospital or other facilities, or from rebates, etc., were required to be accounted for and applied in the reduction of cost of the work.

There was a current and daily audit of all these items and each and every item was accounted for, not only to the complete satisfaction of the auditors in charge of the daily audits, but to the complete satisfaction of the auditors who conducted the final audits. In fact, the field auditors deducted discounts before authorizing payment.

It was impossible, if we were so disposed, for us or any contractor to steal from the Government any item we were not entitled to under the terms of this contract, and it was impossible for us to increase our compensation by adding to the cost of the work.

We take it this committee will be as prompt and vigorous in the exoneration and commendation of those who have honestly discharged their obligations to the Government as it will be in the denunciation and prosecution of those who have defrauded the Government.

#### GOVERNMENT AUDITS.

We have shown that after we passed the \$4,466,000 mark we had everything to lose and nothing to gain by prolonging the work. The expense items for which we were not entitled to reimbursement would continue to pile up and our gross compensation would stand at the maximum.

We believe we have shown that the only way in which we could get any more than our maximum compensation out of the Government would be by

stealing, and we could only do this by padding the pay rolls or conspiring with vendors of materials to pad invoices, so that in this connection it seems desirable to briefly review the Government audits.

In the first place there was a current daily audit in charge of the Government field auditor, who had something in excess of 100 assistants.

All material received on the camp was checked and inspected by the field auditor's department, and receiving and inspection slips were made out.

When an invoice came it was handed in duplicate to the field auditor, whose assistants checked it against the receiving and inspection slips, checked the prices against those authorized by the Government, checked all computations and extensions, and computed and deducted discounts.

The field auditor then gave us authority to pay a specific amount on each specific invoice.

Each Government voucher approved by the field auditor showed the specific invoice approved and paid.

We then paid the invoices and had them receipted, and then returned the receipted invoices to the field auditor.

That this audit was very thorough is shown by the fact that the field auditor's department deducted as little as 1 cent to make the amounts approved for payment absolutely accurate.

With respect to the pay rolls, the field auditor's department kept the time of all employees, wrote up the pay rolls and delivered them to us showing the details of employment, such as the name of each man, the time worked, the rate, and total due.

We then sent to Chillicothe the currency required to pay these pay rolls, we filled the pay envelopes and delivered them to the field auditor, and took the receipts. The field auditor's assistants then paid the men.

When our work was approximately done the field auditor made a complete final audit and prepared what the auditors know as an A-to-H statement.

Two additional similar complete audits were made by the accounting branch of the Construction Division of the War Department, and two additional A-to-H statements were prepared.

In addition to these audits five or six special audits of specific accounts have been made as, for instance, our commissary department was audited in our office by a Government auditor who took three months to the work and checked and audited every penny. He filed a report showing that the Government owes us over \$9,000 on account of the commissary.

The committee should also understand that in addition to all the foregoing audits, all the papers and records must go to the Auditor of the War Department for a final audit.

The committee should further understand that our account has not been finally settled. There is still due us on account of our compensation \$17,583.13 which was due December, 1917, but has not been paid.

We have a claim for \$9,000 or thereabout reported by the Government auditor to be payable to us on account of the commissary, and we have a claim of about \$11,500 on account of public liability insurance.

Against these claims the Government is entitled to credits of about \$17,500 so that in our view there is now due us from the Government something in the neighborhood of \$20,000.

Our claim for about \$11,500, on account of public liability insurance, arises from the fact that we carried this insurance for the protection of the work, although it was not approved or required by the contracting officer.

Under the contract we were only entitled to reimbursement for such insurance as should be authorized by the contracting officer, but we were entitled to reimbursement for losses sustained during the work not compensated for by insurance.

There were a number of accidents around the camp which were settled by the insurance company, so that we are clearly entitled to be reimbursed for the insurance premiums or for the amount paid out in settlement of accidents.

The War Department, we understand, has recognized and settled claims of other contractors for premiums paid for such insurance.

#### PERFORMANCE OF THE WORK.

We append a statement by Mr. C. H. Hollingsworth, our general superintendent in charge of the construction of Camp Sherman, showing the performance

of the work and other facts pertinent to this investigation. Mr. Hollingsworth's statement is as full as the limits of this presentation will permit.

We performed the contract honestly and to the best of our ability, and we denounce unwarranted statements of those who have testified in derogation of our work.

We demand, as is our right to demand, credit for work honestly done, and we are presenting this statement in full confidence that this committee will not do or permit an injustice to be done to or suffered by anyone who has done honestly and to the best of his ability the work he contracted to do.

In addition to the facts set forth in the statement of Mr. Hollingsworth, we submit the following as a few of the salient facts: We had approximately \$525,000 of capital invested in this work while it was in progress and while our items of cost were awaiting reimbursement by the Government.

Originally, the camp was intended to take 18,000,000 feet of lumber, but owing to changes and enlargement it actually required 46,000,000 feet.

In all, 1,528 buildings were erected, to say nothing of a large number of temporary buildings and alterations.

The greatest number of men employed on construction work at any time was about 11,000 men, while during the entire contract there were employed at various times a total of 48,000 men.

On a basis of 10-hour working day within the period of 90 days one building, large or small, and practically all of them were large, was erected and completed on an average of every 42 minutes, not counting in this the temporary quarters of workmen.

The contract was signed on June 27, 1917, and then the corn was waving in the fields and not a spadeful of ground had been touched or a survey made. On September 8, 1917, the camp was ready for the first contingent of recruits to arrive.

Whatever may be said, the camp was finished on time.

The following facts will give the committee some notion of the magnitude of the work:

*Camp Sherman.*

Total number of buildings.....	1, 528
Number of cars of lumber.....	2, 174
Amount of lumber..... board feet.....	<sup>1</sup> 46, 000, 000
Number of cars of roofing.....	77
Amount of roofing..... square feet.....	4, 244, 100
Number of cars of wall board.....	44
Amount of wall board..... square feet.....	2, 858, 970
Number of cars of wire screening.....	5
Amount of wire screening..... square feet.....	869, 895
Number of cars of nails (equal to 11,080 kegs).....	17
Amount of electric wiring (in feet):	
Inside.....	1, 250, 000
Outside.....	2, 640, 000
Number of lamp sockets.....	22, 500
Amount of telephone wiring (in feet).....	264, 000
Number of telephones.....	127
Number of doors.....	10, 619
Number of sash.....	62, 415
Amount of vitrified pipe (in feet).....	136, 744
Amount of wood pipe (in feet).....	75, 059
Number of cars of all kinds of pipe.....	326
Amount of iron pipe (in feet).....	8, 100
Greatest number of cars of material handled in any one day.....	71
Total number of cars of material of all kinds.....	3, 303
Average number of cars of material hauled in per day when operation was in full swing.....	55
Number of miles of roads.....	16. 8
Number of miles of railroad siding.....	7. 51
Number of miles sewer line:	
Main.....	9. 825
6-inch sewer.....	10. 0
Number of miles water line.....	14. 87

<sup>1</sup> This required a forest of at least 15,000 trees to be cut and sawed.

Number of miles trenching (in addition to sewer and water line).....	45
Amount of money expended in plumbing fixtures.....	\$124.45
Method of heating (steam or stove):	
(a) Number of miles of steam lines.....	40
(b) Number of stoves.....	1,328
Number of sewage disposal plants.....	1
Number of power plants installed for water supply.....	6
Number of power plants installed for heating.....	105
Number of power plants installed for lighting (substation).....	1
Total number of pumps installed.....	12
Greatest number of men employed in any one day (9,746, Bentley; 1,275, subcontractors).....	11,021
Average number of men employed per day when operation was in full swing (week ending Sept. 4).....	10,699
Highest pay roll in any one week.....	\$500,000
Average pay roll per week when operation was in full swing (from Aug. 21 to Sept. 4).....	\$382,375
Number of men in official organization of the Government.....	237
Number of men in official organization of contractor.....	20
Barrels of cement.....	15,640
Total number of meals served.....	865,144
Pounds of meat and fish served.....	490,861
Total cost, approximately.....	\$9,650,000

May we suggest that the committee should keep these facts in mind in considering the testimony of the witnesses who appeared before the subcommittee No. 2 at Columbus and Chillicothe.

Of the witnesses called before the subcommittee, approximately 10 were from Columbus, 42 were from Ross County, Ohio (Chillicothe), and 10 from elsewhere in the State.

These witnesses were carpenters, farmers, undertakers, photographers, painters, mechanics, small contractors, and the like, and while some of them may have been perfectly honest in their views, it is obvious that not one had the capacity to comprehend what it means to assemble and nail in place 46,000,000 feet of lumber or to handle the other items of materials scheduled above.

Our performance of this work was such as to call forth the voluntary commendation of Maj. Dabney, as follows:

WAR DEPARTMENT.

OFFICE OF THE CONSTRUCTING QUARTERMASTER.  
Camp Sherman, Chillicothe, Ohio, December 12, 1917.

From: Constructing Quartermaster.

To: The A. Bentley & Sons Co., Camp Sherman, Chillicothe, Ohio.

Subject: Release from construction work.

1. Confirming our conversation of November 28, 1917, and in compliance with telegraphic instructions from the Cantonment Construction Division, Washington, D. C., you are hereby notified that the services of your company are no longer required at this cantonment. This release to be effective at the close of work for the day on November 30, 1917.

2. You are further notified that your construction work has been performed in a satisfactory manner and that the cantonment has been inspected, approved, and receipted for by Maj. Gen. Edwin F. Glenn, commanding the Eighty-first Division.

3. You are hereby released from any further obligation as of November 30, 1917.

4. I wish to express my personal appreciation of the thorough manner in which your organization has carried out its contracts with the United States Government and of the perfect harmony which existed between the members of your organization and the Government representatives serving under its direction.

WARD DABNEY,

Major (Infantry), Quartermaster, United States Army.

We performed this work honestly and to the best of our ability, and omitted nothing that we thought would contribute to the success of the work. To illustrate our attitude we may say that Gov. Cox, of Ohio, can testify if called, that at our request he caused all the idle laborers in Chillicothe to be assembled or rounded up one Sunday to load on cars all the lumber

(3,000,000 feet) then in the various yards in Columbus; that all that lumber was sent to Chillicothe on special trains so that it would, and did, arrive Monday morning, to keep the men at the camp at work. Maj. Dabney and Capt. Rhoades will testify that we purchased this lumber at a cost of something like \$25,000 over the standard costs fixed by the Government, at the risk of not being reimbursed by the Government. They can testify that we took this action because lumber from the South destined for the camp was held up on congested railroads somewhere south of Cincinnati. If this lumber had not thus been purchased, assembled, and delivered at Chillicothe the construction work would have been delayed and we would have lost many employees and the Government would have been put to the expense of assembling others.

We were and now are proud of our work. We regard the construction of this camp within the time it was constructed as a remarkable achievement. The performance of our work must have been well regarded by the Construction Division and Government officials, because on September 24, 1917, we were given the contract to build Camp Johnston, at Jacksonville, and later we were given a contract to construct a shipyard and concrete ships at Jacksonville.

We are unable to express in words the indignation and resentment that we feel, that we should be charged even by irresponsible persons with waste, extravagance, or graft.

We are shocked that suggestions, intimations, or charges against the character of our work or against our integrity in connection with this work should be made without the most exhaustive study of the facts.

We believe we are entitled to ask a complete exoneration by this committee, so that the wrong done to us by the sensational publications of testimony of irresponsible persons may be rectified so far as possible.

Not only do we resent these charges and suggestions but our resentment and indignation is shared by hundreds of the men from Ohio who were employed on this work. We have received a great many letters from all parts of the State, written by men who were employed on this work, offering to come to our assistance if their testimony is desired or if there is anything they can do. From one end of our work to the other there were 48,000 men employed, and most of these came from Ohio; and it can not be said that these men did not come there to do, and that they did not do, honest work, or they did not come from patriotic motives or because they wished to be associated in some way in the work of preparing the country for its defense.

If the committee cares to test the general honesty and integrity of the men employed on this work, they can be subpoenaed to central points in the State of Ohio by the hundreds, so that they can be examined; and for every one of the sixty-odd witnesses who have thus far testified at Chillicothe or Columbus we will locate at least a hundred or more if desired, so that this committee can, by any means it sees fit, determine whether the men employed by us could be induced to be parties to the dishonest and contemptible practices suggested by some of the witnesses.

We would like to have these men called to testify, and offer to produce them so that the committee can determine whether or not these men would have tolerated conditions such as have been testified to exist, and so that this committee can determine whether or not instructions to loaf or instructions to "get in the clear" would not have instantly brought into activity the Secret Service men known to be about the camp.

In order that the committee may determine the quality of our performance we shall comment upon the points of criticism advanced by the various witnesses.

In determining whether or not we were extravagant or wasteful, the committee should make a careful analysis of our costs.

The total cost of Camp Sherman was about \$9,500,000, including furnishings, equipment, facilities.

The cubic contents of the buildings erected was 64,263,183 feet.

The total cost per cubic foot, including everything, was 14½ cents per cubic foot of building.

The total labor cost was \$4,183,330, so that the total cost of labor per cubic foot of building (including all facilities) was 6½ cents per foot.

We are now trying to separate the costs of utilities and facilities from straight costs of barracks and buildings, so that our costs for buildings can be computed and compared with normal and other building costs. We ask permission to file an additional statement if we can complete these figures in time. We believe these figures will show a very reasonable cost per cubic foot.

In considering whether our performance was extravagant or wasteful, the committee should consider the efficiency possible at the time the camp was erected, and should bear in mind the difference between present-day efficiency of labor and the efficiency in past years, and also the difference between cost of materials now and in the past.

To illustrate the difference, we point out to the committee that in 1894 we built a factory in Toledo for the Breckenridge Can Co. The following is a comparison of the cost then and present costs:

		1894 costs.	Present costs
2 by 14 by 24-----	per M feet--	\$13.00	\$70.00
Sheeting-----	per M feet--	8.00	45.00
Labor-----	per M feet--	2.80	15.00

In 1893 the structural steel erected in place in the Lucas County courthouse cost \$24 a ton. To-day it would cost \$110 per ton.

In 1897 we built a factory for the Ford Plate Glass Co., Toledo. The cost of brick laid in the wall was then \$7.25 a thousand. To-day the cost of the same brick work is \$56 a thousand.

In 1909 we built the Louisville City Hospital, on which the brickwork cost \$17.50 per thousand in place. To-day the cost of similar brick work would be \$50 per thousand.

We point out these facts to show the necessity of establishing a standard of efficiency upon which the work can be judged.

#### WASTE.

One of the points given prominence by nearly every witness thus far called was waste in one form or another. Carpenters, farmers, small contractors, other men of like capacity, testified that the waste in this work was anything from shocking to criminal, but not one of these witnesses had the ability or capacity to understand the subject on which he was speaking. We suggest that the subject of waste can not be understood or determined by anyone without a careful study of all the facts.

In the first place the determination of what is or what is not waste must be based upon some standard of efficiency, and before it can be determined whether or not our performance was wasteful, the committee must determine what efficiency could have been reasonably expected in work of this character under like conditions.

Clearly the necessity of the case made some waste inevitable. Haste always makes waste.

It goes without saying that if we had been given six months, nine months or a year to prepare for and execute this contract, the work could have been done in a much more orderly manner, and by more economical methods.

Had we been given the time, our method of operation would have been entirely different. In such cases we would have carefully prepared the ground by the construction of proper roads and ways, so that materials could be handled to the best advantage. All, or substantially all, of our materials would have been ordered and assembled and on the ground before work of construction was commenced. These materials, such as lumber, would have been prepared, sawed to lengths in some central place to avoid hand labor so far as possible. In the next place the materials, when thus prepared, would have been sent out in appropriate amounts to the site of each building, so that the workmen would have had sufficient materials on hand before work was commenced.

In the next place, if we had had the time we would have made a careful selection of mechanics, and we would have used the highest grade of mechanics obtainable.

It goes without saying that there was some waste unavoidably involved in the performance of the task we were called upon to do, and it is obvious that the committee can only determine what was or was not wasteful by comparing our performance with that of others after establishing a fair standard from which to judge.

We have never had an opportunity of studying or inspecting the records of the War Department showing the performance of other contractors on similar work, but we understand that these records have been carefully kept and that charts have been made showing the results accomplished by each contractor. Unavoidable differences in costs have been reconciled and the results arrived



plished by each contractor have been reduced to a common basis for purposes of comparison.

It is our understanding that the results accomplished by us were about equal to the fair average of all.

Some of the best contractors in the United States were selected for this work, and we think it is fair to assume that they were not all extravagant or wasteful and that some fair conclusion as to what was or was not wasteful can be reached from an examination of these figures.

So far as concerns actual waste or loss of materials, the committee should be able, without great delay or expense, to ascertain the exact loss by having the buildings measured and obtaining the exact quantities of materials in place. These figures when compared with the amounts of materials actually purchased will give the actual loss or waste, and the committee can then determine what part of such loss or waste was unavoidable.

Nearly all the witnesses called before the subcommittee at Columbus and Chillicothe testified in one form or another on the subject of waste, but not one of these witnesses had the capacity to understand the figures involved.

For the purpose of commenting upon the testimony of these witnesses, we have classified their complaints under the following heads: Waste of lumber, waste of hardware, waste of roofing paper, waste of wall board, waste of cement, waste of labor (due to extravagant rates of pay, inefficient workmen, excessive numbers of employees, lack of organization), waste by burning materials, waste by failure to use scrap, waste in railroad work.

#### WASTE OF LUMBER.

Our records show that the lumber purchased for this work amounts to 46,000,-000 board feet.

As we have said before, what was or was not waste must be determined from an examination of the facts and circumstances existing at the time. Due consideration must be given to the uncontrollable elements which contributed to or caused a considerable part of whatever waste occurred.

We should not be charged with such part of the waste as was beyond our control.

The committee understands that we were obliged to purchase all lumber under the directions of the lumber committee of the National Council of Defense. That committee fixed prices and allocated our requirements to various lumber mills in the South, and we were allowed to buy locally or otherwise not to exceed 25 per cent of our requirements, and such purchases could only be made in cases of necessity satisfactorily shown to the contracting officer.

The lumber committee considered it unwise to permit the construction of these camps to deplete the local stocks of lumber in the various cities and towns in Ohio, because thereby permanent injury would have been done to the business of the country, and for that reason we were only permitted to buy otherwise than under the directions of the committee up to but not exceeding 25 per cent of our requirements.

Our lumber was necessarily purchased in the South, and we were obliged to take what we could get. We had neither the time nor the opportunity to select our sources of supply, and, while schedules of sizes were carefully prepared, our great difficulty in the construction of this camp was the coordination of our supplies of materials and labor. Sometimes as many as 150 cars of lumber would arrive on one day, and then nothing would come for several days.

We had assembled our force of workmen from various parts of the State at considerable expense, and it was obviously impossible to lay off those men without breaking up our force of employees and putting the Government to the expense of assembling other workmen to take their places.

We frequently had to use the lumber that we had on hand, whether it was right size or not, to keep our men at work and to avoid delay in the completion of the camp.

As we have pointed out before, if we had been allowed six months or a year for the construction of this camp, and if we had had an open market for the purchase of materials, we should have adhered strictly to our schedule of sizes, and we should have had an ample supply of lumber on hand of the requisite sizes before the work commenced, and we should have seen to it that our lumber came in in ample time for use on the work. To illustrate, on work in congested districts, like Chicago and New York, the work is so

scheduled and timed that each piece of material, such as a steel column, is brought on the work at the exact time required for use, and is then swung into place and handled but once. Nothing like or approaching this efficiency was possible on Camp Sherman.

In this case we had no such opportunity, and we were obliged to coordinate as best we could our supply of lumber and workmen.

When we were under the necessity of building the camp within the time fixed, and keeping our force of men at work, it was not always possible to sort the lumber into the correct lengths, and in such exigencies the cost of proper sorting would have cost the Government in labor a great deal more than the apparent loss of lumber arising from the use of whatever was immediately available.

Just as far as our situation permitted us from day to day we did sort our lumber, and we prepared it for use on the various buildings.

We erected a sawmill about 200 feet by 1,000 feet in size, containing about 12 power saws, in which lumber was cut as economically as possible to the correct sizes desired for use. The sawmill was well organized and we handled great quantities of lumber in this way.

The point we wish to make is that in the situation that confronted us it was necessary to use good judgment in the use of our materials and our labor. The first essential was the completion of the camp on time, and the second was the avoidance of unnecessary waste. We endeavored to meet these requirements from day to day by the use of our best judgment and by constant and careful supervision.

We had daily meetings of the heads of divisions, in which meetings the Government representatives participated, and we had frequent meetings attended by as many as 300 or 400 foremen, at which all our problems were freely discussed and the consensus of opinion was reached.

We used every precaution to see that good judgment was exercised in the use of materials. We employed a competent man, Mr. Wisenall, an architect of Cincinnati, and made it his duty to report on the available lumber, which necessarily involved the ascertainment of waste. To get at the waste we had Mr. Wisenall measure temporary buildings, make tests, cube and measure the salvage piles, and do everything which in our judgment would give us the information.

We are convinced that the gross waste of lumber did not exceed 7 per cent, and in this percentage we include the waste from the sawmill and wastes on the ground.

We do not include in this kind of waste the loss inevitable in the use of siding. Whenever siding is used it is necessary to purchase and pay for at least 25 per cent more in feet of lumber than can be measured when in place. This is due to overlapping and is not the kind of waste for which any contractor is responsible.

We append a statement from Mr. Wisenall showing his work in and about the camp.

We had a regularly organized salvage corps whose duty it was to haul away from the buildings every day and night the pieces of lumber and materials lying around. This lumber and waste was hauled to salvage piles, where it was sorted and inspected. Anything less than 2 feet long was considered waste and anything over that went to the saws stationed at the salvage pit and was there cut into appropriate sizes for timekeepers' booths, sidewalks, bracing, and what not.

Some of the photographs which we file with this statement show the saws working near the salvage pile and show the small buildings being built out of salvaged lumber. These small buildings were hauled into position on skids.

The scraps of lumber usable for kindling or fire were carefully piled and kept under guard, so that they could be used by the soldiers in this camp.

Nothing was burned except shavings, splinters, and trash.

From the tests conducted by Mr. Wisenall and otherwise we concluded and now believe that our net waste of lumber was only  $3\frac{1}{2}$  per cent, and that  $3\frac{1}{2}$  per cent of ultimate waste included all lumber which went into the kindling or fuel piles and that which went to the burning pits.

As we have stated before, we have no means of knowing the results accomplished in other camps, but we are informed that our results compare very favorably with those obtained by other contractors.

For the information of the committee as to what waste should be expected on normal work, we refer to standard textbooks, such as Walker's *Builders Estimators Reference Book*, second edition, 1910.

Further, in connection with the subject of waste of lumber, it should be kept in mind that we were working on farm land which was soft in spots, and in many cases we had to lay planks in the roads to keep our trucks and teams from becoming mired. We also had to use large amounts of lumber for trench bracing, concrete forms, ditches, and culverts. This material after being so used could not be utilized in the building work, but had to be reused, so far as possible, in concrete and similar work, and then, of course, had to go to the salvage piles.

We believe it must be found, after a careful examination of the facts, that instead of being wasteful of lumber we were exceedingly careful, and that the results actually accomplished by us in this emergency work compare favorably with the best results accomplished in normal work.

#### INSPECTION OF LUMBER.

Some of the witnesses testified to the effect that the inspection of lumber at the camp was inadequate.

The inspection of lumber was in the hands of lumber inspectors employed by the Government auditor. Mr. Clarence Pickett, the chief inspector, can testify that the lumber accepted was the quantity and quality bought, and that all lumber was inspected according to the standard rules of inspection of the Yellow Pine Manufacturers' Association, and that the inspection was adequate. The cars of lumber were frequently rejected.

It should be noted that all the lumber received at the camp was green, just as it came from the mills, and that seasoned lumber was unobtainable. We were obliged to use what the mills could furnish.

#### SALVAGE CORPS.

The fire hazard connected with this work was such as to require the greatest precaution, so we organized, under the directions of the fire-insurance underwriters, a division of workmen, whose duty it was to keep watch of the premises and to see that every precaution was taken to guard against fires.

It was also necessary to keep the camp and grounds in good sanitary condition, to prevent disease among our workmen or the soldiers who occupied the camp.

The work of the fire division and the sanitary division was necessarily closely connected.

Under these divisions a salvage department was organized, whose duty it was to pick up all waste lumber and materials about the camp and to haul such waste to the salvage piles above mentioned.

There were 400 or 500 men in the fire division, sanitary division, and salvage department cleaning up around the camp all the time.

We could not permit waste pieces of lumber to lie about the camp without increasing the fire hazard, and it was safer and more economical to haul scrap lumber to the salvage piles than to attempt salvage on the spot.

#### WASTE OF NAILS, HARDWARE, CEMENT, ROOFING PAPER, WALL BOARD, AND OTHER MATERIALS.

Some of the witnesses thus far called have testified that there was a shocking waste of these materials.

Our records show that we used in this work 11,080 kegs of nails, costing about \$22,000, and with these nails we put in place 46,000,000 feet of lumber, made concrete forms, and other work.

The cost of nails was obviously a comparatively insignificant item in the cost of the camp, and it goes without saying that we could not pay 40 cents an hour for workmen to pick up loose nails.

The salvage department, of which we have spoken, was required to salvage any and all materials on the ground, and this department did salvage as much of these materials as was possible.

The use of 11,080 kegs of nails on this work was proper and reasonable. We handled and nailed in place 46,000,000 feet of lumber. The standard textbooks on estimating work of this character show that from 18 to 24 pounds of nails are required on each thousand feet of lumber. At 18 pounds of nails to each thousand feet of lumber, there would have been used 8,280 kegs of 100 pounds each. Out of the 11,080 kegs purchased we turned 1,750 over to the

construction quartermaster for use after we left, so that we in fact used 8,730 kegs, or a trifle over 18 pounds per thousand feet of lumber, though it should be remembered that with these nails we also nailed in place all roofing and wall board.

Some of the witnesses claimed they saw solidified bags of cement lying about the place, and we have no doubt that there were some lying about. It is a common occurrence for cement to get wet in transit, due to the defective roofs, and it is almost impossible always to protect materials of this sort in open work of this character.

On the whole work there were 15,640 barrels of cement used, at about \$2 per barrel, and there was no avoidable waste of this material.

Some of the witnesses said there was waste of wall board, but we are confident they did not know the facts.

Before ordering the wall board for this camp we prepared in our main office at Toledo a schedule of the sizes required for the work, but we found we were only able to buy what was available in the market, and all this material was allocated just the same as the lumber.

We were obliged to and did use our best judgment in handling this material and in avoiding waste of both material and labor. The exercise of common sense was required on the spot to determine whether it was best to have workmen use new material or spend their time hunting around for a suitable piece of scrap and cutting and fitting that scrap and perhaps adding to the waste. The wall board as well as other materials went to the salvage pile, where it was sorted and handled to the best advantage.

Strange as it may appear, none of the 60 witnesses called before the subcommittee claimed that we broke a single pane of glass, although our records show we set 62,415 sash.

#### WASTE OF LABOR.

A number of the witnesses testified that there was a gross waste of labor, or, in other words, that our labor costs were excessive.

The contract provided: "The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done without the prior consent and approval of the contracting officer."

It is further provided that the contracting officer should have the right to choose to exercise it, to settle any dispute with reference to labor, hours or other conditions appertaining to the work.

In order to set the wages payable to workmen, Capt. Dabney, the construction quartermaster, wrote to 65 cities in the vicinity that might contribute labor, and, with the assistance of the State employment bureau, he fixed the rates of wages payable for different classes of work. The rates paid to the workmen were subsequently adjusted by the War Labor Board.

Capt. Dabney not only fixed the rates payable to the workmen, but either for the construction division O. K'd the rates of pay for foremen, superintendents, and employees of every class, and we were required to adhere to the schedule so fixed.

#### INEFFICIENT WORKMEN.

Many witnesses criticize our employment of unskilled mechanics, saying we employed men who could only handle a saw and hammer, and who could handle those tools indifferently.

It must be borne in mind in this connection that on the 1st of July there were only about 15,000 people in the city of Chillicothe, and that we were obliged to assemble a force of 11,000 workmen. The only way we could get help was through our employment agents and through the State employment bureau. When any officer of the State employment bureau found a man claimed to be a carpenter, it was not possible to put him through an examination or test to ascertain his qualifications, but he was sent on to us as a carpenter, and we had to put him to work. We could only ascertain the qualifications of a workman by his performance.

It goes without saying that for certain kinds of work, such as nailing boards, box nailers, lathers, farmers, and any one with two hands and a sense could do almost as well as an experienced carpenter. It was necessary to have in each gang of workmen several skilled mechanics to get the work started right, or to get it lined up right, and when that was done, these lesser skill could do as much work as any.

During the first two or three weeks of our work there was necessarily some confusion, because we had to assemble not only the workmen but the foremen and superintendents; and we had to go through the process of adjusting our gangs of workmen to an efficient basis; but after the first two or three weeks we were able to select competent foremen and to see that every gang had a sufficient number of skilled mechanics, and we were then able to fit in and use those having less skill to the best advantage.

It was an utter impossibility to assemble for this work an adequate force composed exclusively of skilled mechanics, and we were obliged to use the best we could get.

With respect to the plumbers, we would prefer that they speak for themselves. They were selected as being fully qualified because of their membership in the union, but at no time during the time they were on the work was their performance satisfactory.

#### THE RIGHT TO DISCHARGE EMPLOYEE.

Some of the witnesses who testified that we employed inefficient workmen also complained that our foremen were deprived of the right to discharge such men.

During the first two or three weeks of the work we allowed our foremen to discharge any men who were inefficient or unsatisfactory, but we found that this would not do, because the foremen were arbitrary in some cases and frequently discharged and sent away men who could work satisfactorily on some other line of work or under other foremen.

It was difficult at the best to assemble and keep on hand the requisite number of workmen, and the expense of assemblage was very great, so that we soon found it was necessary to deny our foremen the right to discharge employees and to require all discharges to be approved by a division superintendent. In this way the division superintendent was able to determine the cause for the discharge, and whether the employee would be useful under some other foreman or in some other work.

It was also necessary to deprive the foremen of the right to discharge men to put a stop to the practice of discharging men to enable them to get money. As soon as the work commenced we found that men frequently applied to their foremen to be discharged so that they could go to the office and be paid. They thus secured some spending money, and the next day or soon thereafter appeared on the job and applied for other work. We could not handle 11,000 men and have great numbers paid at irregular intervals. If that practice had been continued, the cost of time-keeping to the Government and the number of time-keeping employees required to be furnished by the Government would have passed all reason.

#### EXCESSIVE NUMBER OF WORKMEN.

The witnesses who complained of our waste of labor frequently attribute it to the employment of excessive numbers of workmen, but we believe none of them understand the necessities of the situation. It is true that during the first two or three weeks we were lacking in organization, and throughout the whole of the work our serious difficulty arose from the impossibility of satisfactorily coordinating our supply of materials and labor.

When we assembled the men, we were obliged to hold them together. We could no more lay off this force of men because of insufficient material than a general in the field could lay off or temporarily disband an army.

When we were short of materials we were obliged to use our working forces to the best advantage, and it may have appeared that we were employing excessive numbers at times, but the situation was not within our control. We were obliged to hold our forces together and balance labor and material the best we could.

We have no doubt, as Mr. Hollingsworth points out, that the criticisms of some of the witnesses are due to their training as mechanics. A mechanic who has been trained in the country to work with a very small force of workmen with all the room in the world to move around in finds it difficult to understand how large numbers of workmen can be used to advantage in a very small space.

The imperative necessity was the completion of this camp by September 5. Every day lost and every hour of work lost after the 1st of July meant delay

in the delivery of the camp, and we were obliged to and did use our best judgment in the utilization of our labor. When we were lacking in materials we could not lay off our men, because it was obvious that if we did so we would be lacking in men when our materials arrived.

#### LACK OF ORGANIZATION.

Some of the witnesses who testified before Subcommittee No. 2 claimed that there was great confusion about the camp, and that there was no semblance of an organization.

We believe we had the work as highly organized as was possible in the circumstances, and we feel that we had the type of organization best suited to the task we had to perform.

It seems unnecessary for us to say that had we been allowed six months or a year to do this work, and had we had an open market in the purchase of our materials, our organization would have been entirely different.

Mr. Hollingsworth, in his statement which is annexed, outlines the type of organization used, and the reasons which induced us to select and adopt that type.

Of course, to an uninformed person, there might appear to be a great deal of confusion on this work, as it covered 5½ square miles of territory, and all classes of materials and all kinds of workmen were moving about all the time; but nevertheless, notwithstanding appearances, the working forces were as well coordinated and organized as circumstances permitted, and they all moved along to the end demanded—the completion of the camp by September 5. A building was completed every 42 minutes.

We do not know what type of organization was employed by others doing similar work, but if we were called upon to do this work again under like circumstances, we would adhere to the same form of organization. In this connection we may point out that the latter part of September, 1917, the construction division allotted to us the contract for the construction of Camp Johnston at Jacksonville, and there we adopted the same type of organization.

#### BURNING OF MATERIALS.

So many witnesses have criticized the destruction of materials by burning that we feel we should again speak on that subject, at the risk of repetition.

As we have said, the fire hazard at the camp was most extraordinary, and it was possible any day for a little fire at one end of the camp to be blown by a high wind from one end to the other. The greatest precautions were required to be taken. Our fire division was organized and handled with the advice and supervision of the fire underwriters under the head of competent men trained in handling fires. It was necessary to remove every piece of scrap from where a fire might start, and it was necessary to keep the ground clean and to destroy grass, hay, trash, brush, and everything that would increase the fire risk. Under the directions of the fire underwriters we arranged burning pits at different points, and there destroyed such materials, trash, and wastes of all sorts as had no salvage value, and these fires were watched night and day by competent men.

In order that we may convince the committee, so far as it is possible for us to do so, that no unnecessary materials were wasted, we have obtained from Chillicothe every photograph that is available showing the salvage and scrap piles, and these burning operations. We believe these photographs, taken at the time, will indicate better than words the character of materials burned.

The following men know all about the salvage of materials, their utilization, and the destruction of unsalvageable waste, and, if called, can testify to all details on these points: J. J. Carew, 10 North Main Street, Webster, Mass.; S. McSkinmin, 1664 Seventy-second Street, Brooklyn, N. Y.; F. J. Sullivan, Apartment 29, The Arnold, 1500 Ninth Street, Los Angeles, Calif.; T. Hollingsworth, Clifton, Ariz.; P. J. Purcell, 315 Ludlow Avenue, Clifton, Ariz.; John McIntosh, care Bentley Co., Jacksonville, Fla.

#### INSTRUCTIONS TO LOAF ON THE JOB.

A number of former employees testified that they were instructed by the foremen to "get in the clear when the leather legs are around." One witness testifies that Mr. Hollingsworth gave directions of this nature. These witnesses would make it appear, not only that loafing and idling was common:

the work, but that such loafing was induced by our attitude and directed by our general superintendent and the foremen.

One witness who testified at length to the effect that he and his gang lay around in the sheds for some time admitted that after a day or so of this they were all discharged, including the foreman, and that they "got what was coming to them."

No such directions were ever given. Such testimony is utterly incredible, for the reason that, had such instructions been given the whole force of workmen would have been corrupted, our organization would have been broken up, and, instead of a building every 42 minutes, the completion of the camp would have been an utter impossibility.

As we have stated before, we had daily meetings of the heads of departments and frequent meetings attended by as many as 300 or 400 foremen, at which meetings all problems were discussed, and every one of these heads of departments or foremen must testify, if called by the committee, that our daily and constant demand was for diligence in the work. We adopted every available means to induce rivalry between the different heads and different foremen. We had flags made, which were given to the gangs making the best record in different kinds of work, and the gang winning such a flag was entitled to fly it until its record had been passed by another doing similar work.

We tried to instill into the minds of our workmen the necessity for good work, prompt work, the necessity for the completion of the work when it was needed by the Government, and the necessity of maintaining a favorable position for our organization in comparison with other contracting organizations doing similar work.

Every week telegrams were received from Washington indicating the percentage of progress made on the different camps. These telegrams were read at the assemblage of foremen and created the greatest enthusiasm when the information showed that our position in the field had improved.

There were a great number of Secret Service men throughout the camp, whose duty was unknown to us. We employed a number of secret-service men of our own, and Mr. Bolin, the United States district attorney at Columbus, had his own investigators in the field. We were under the constant supervision of a large force of Government employees under Capt. Dabney, and it is absolutely incredible that instructions to loaf could be given without that fact being known by the Secret Service men, United States District Attorney Bolin, or the Government officers, nor could such instructions be given without disrupting our organization.

We deny absolutely that any instructions of that nature were authorized or given.

#### CHARGES OF GRAFT.

The testimony of some of the witnesses purports to show that we were guilty of grafting on the Government, although most of the witnesses were rather vague and uncertain in their charges. One or two intimate that we received rebates or discounts in the purchase of materials.

We have no doubt that there was here and there on the work some petty graft, as it is a practically impossibility to eliminate such graft in work of this character. We have difficulty with it every day in our own organization under normal conditions.

Very recently contractors in Detroit found a carefully organized gang of timekeepers operating on several jobs who were making a practice of padding the pay rolls, and this notwithstanding they were working under normal conditions with a comparatively small force of workmen.

It would be idle for us to deny that petty grafting did occur about this camp, but we do deny that we knowingly permitted such graft or that we failed to take prompt measures to suppress graft or that we failed to prosecute anyone discovered in thieving from the Government in any way.

#### CHARGES THAT WE WERE PAID EXCESSIVE COMPENSATION.

We have heretofore discussed our compensation and have shown that our gross compensation was only 2.6 per cent on the total cost of the work, and that our net compensation was only \$69,736.54, or .0072 per cent of the cost of the work; but it seems desirable to speak briefly on the subject at this point, though it is repetition, because of the testimony of many witnesses on the subject. An examination of the testimony of these witnesses will satisfy the committee that

none of the witnesses had any knowledge of the terms of the contract, but most of them were under the impression that we were receiving somewhere between 6 and 10 per cent on the cost of the work. We feel confident that the testimony of witnesses who were uninformed on the subject concerning which they were testifying can not be highly regarded.

#### WASTE IN RAILROAD CONSTRUCTION.

One witness criticizes our work in railroad construction, but we doubt if his experience and training qualified him to pass on costs.

All we can say on the subject is that this work was done with the same care as other work, and we deny that there was any avoidable waste.

The work was done under the observation of engineers and maintenance of way men of the Baltimore & Ohio Railroad, which gave us a contract at cost plus to do its construction work in and about the camp and tendered us a like contract to take over the maintenance of way and construction on a whole division of that road, about 130 miles, on the same basis.

We might also add that about this time we did over \$63,500 of maintenance and construction work for the New York Central lines in and about Toledo, Minerva, and other points on a cost-plus basis. We also did like work for the Pennsylvania Railroad Co. lines west.

#### CHARGES CONCERNING HOSPITAL HEATING SYSTEM.

Three witnesses—an accountant, a furnace man, and a carpenter—testified before the subcommittee as to defects in the method of heating the main hospital at Camp Sherman, and made charges of neglect, carelessness, intentional slowing down of work, etc.

The facts are these:

It was originally planned to heat the hospital with stoves. In September, 1917, we received word from Washington that it had been decided to install a system of steam heating, for which we were required to make our own designs.

We prepared to do so, and went to considerable expense in making these plans and estimates of cost. We then informed Capt. Rhoades what the expense would be, and he declined to approve it. Mr. Gibbens, a practical and experienced heating man, then offered to furnish a man and make plans at his own expense, and again Capt. Rhoades refused.

In the meantime Capt. Rhoades took the matter up with Washington himself, and the department finally sent on specifications and a design of their own. Neither the contractor nor the Construction Quartermaster were satisfied with this design, as it was felt that it would be inadequate for the purpose; and the vice president of our company went to Washington and saw Col. Jungersfeld about it. Col. Jungersfeld said he knew it was a crude design, but they had to take all the factors of the case into consideration, among which were the very short time then remaining before cold weather would set in, the supplies of steam-heating material available, and the fact that it was hoped that the hospital would only be used for a couple of years, or five years at the outside. He stated that they had a balance inefficiency of fuel consumption against the cost of a proper installation, and they finally determined on this as the best. All things considered, and therefore Col. Jungersfeld directed us to go ahead as nearly in conformity with the specifications and design as the available material would permit.

The heating plant was built according to the instructions, except as to one or two minor features that had to be changed.

We never saw or knew of any furnaces being broken in handling, and we have never heard of any complaints that the system did not heat the building.

#### CHARGES CONCERNING TRUCKS.

No charges have been more persistently pressed, with more fertility of imagination, greater detail, and involving more allegations of downright fraud and corruption than those concerning the hiring, compensation, and use of motor trucks by the A. Bentley & Sons Co. and Capt. Tregelies, superintendent of transportation.

It seems that some person of the name of Ihnen wrote to Mr. A. H. Greeb, of Cleveland, Ohio, under date of November 15, 1917, reporting the substance of a conversation with one George Goetz, of the latter city.



Ihsen was evidently examining Goetz upon the latter's claim for exemption from military service, a claim which was not allowed.

He charged that the A. Bentley & Sons Co. "had been operating on the average of 250 trucks at the camp; that in his judgment the work could have been done with 50 trucks; that Tregelles used to tell the truck drivers 'to chase butterflies'; that the contractor was paying \$25 a day for the trucks; that Tregelles was using a K. & S. Co. touring car," etc.

From this arose a so-called "investigation" by the War Department, wherein all and sundry were completely condemned without a chance to answer.

However, it is sufficient as to this to say that the War Department has now reopened the case, and we are confident of entire vindication, now that the actual facts have been presented. We refer to and ask the committee to consider as a part of this statement the evidence recently taken by Col. Shaw, and his report thereon when the same shall be filed.

As the charges made by Maj. A. N. Besnah before the subcommittee followed closely the lines originally laid down by Mr. Goetz, for the sake of brevity we shall answer both together, as the proof that either lied applies to the other impartially.

Maj. Besnah states that he was assistant to the constructing quartermaster and assistant to the camp quartermaster, and later camp quartermaster at Camp Sherman. When assistant to the constructing quartermaster he was in charge of transportation.

These facts are important as showing that not only could he have known the truth, as shown by the actual records there, but it was his duty to have known it.

Maj. Besnah's charges, summarized, were these:

1. That the contractor had from 200 to 400 hired trucks on the work, which was far more than were needed.
2. That between July 20, 1917, and August 20, 1917, the average number of these trucks, hired by the contractor, on the job each day was 250.
3. That the contractor hired a lot of trucks of 2 and 3 ton capacity, paying practically the same price as for 3½, 5, and 7 ton capacity.
4. That the rates for these trucks ranged from \$20 to \$35 per day.
5. That he made complaint about the number and prices of these trucks, with the direct result that the contractor cut down the number of trucks, discarding some that were getting high rates, and reduced the rate on some of the others.
6. That he was approached by a representative of the Kissinger & Schulman Trucking Co., who asked him to employ some of their trucks which had been released by the A. Bentley & Sons Co., and offered to make the same arrangement with the witness that they had with Capt. Tregelles, a commission of \$5 to \$10 a day on each truck. The witness then said that the average commission paid on the trucks to Tregelles would amount to \$1.875 a day.

The truth of the matter is shown by the camp payrolls, then open to his examination, and still in existence, as follows, and this applies equally to the Goetz charges.

The greatest number of trucks ever employed at one time was 108, and this was for only two days, in the last and successful effort to have the camp ready for the arrival of troops on September 6, 1917.

The next highest number was 101, and the next 81, and these for one day only.

And the daily average of trucks employed was less than 40.

The rate of pay for trucks was not based upon tonnage capacity at all, but was prescribed by the constructing quartermaster (whose assistant Besnah was) and was \$5 a day per \$1,000 of appraised value. The repairs on these trucks were made by the truck owner, hence a new truck of 3½ tons' capacity, for instance, might be valued higher than an old one of 5 tons, and would render more service with less cost of fuel. Whether wise or not, it was the Government order; the appraisals were fairly made, and in many instances were passed upon by the constructing quartermaster himself. These truck contracts have been preserved, and we shall be pleased to present them for inspection if desired.

The rates for these trucks ranged from \$6 a day to \$34 a day, the latter price being for two or three new 7-ton trucks.

The average price for all trucks was \$18.72 a day.

We never heard of any complaint from Maj. Besnah to Capt. Dabney about the trucks. No trucks were discharged for that reason, and the rates of pay were not reduced at all, but remained as first fixed by the Government.

Trucks were not hired from the K. & S. Trucking Co. exclusively, or even particularly.

A passenger automobile was hired from them for the use of Capt. Tregelless to enable him to get more rapidly over the camp.

We are convinced that neither the K. & S. Trucking Co. nor any one else paid him any graft or any commission of any sort. Besnah says Tregelless got from \$5 to \$10 a day per truck, \$5 being the minimum. At that rate the \$6 a day trucks would only yield a return of \$1 a day to their owners.

Besniah also computes Capt. Tregelless's income from truck graft at an average of \$1,875 a day, at \$7.50 per truck. As the average number of trucks per day was only 40, and the average compensation for them was \$18.72, it thus appears that the average whole daily sum received by the truck owners was \$748.80, all of which, according to Maj. Besnah, they obligingly turned back to Tregelless, and then paid him \$1,126.20 a day besides. Further comment is needless. The British Board of Pensions has sent Capt. Tregelless to California in the hope that he may regain his health.

#### UNIT COSTS.

In connection with the testimony of some of the witnesses, instances were given of the estimated cost of particular buildings, and of the possibility of constructing the camp on some unit-cost basis.

One witness testified that the labor cost on a medical building was \$7,000—thing that was utterly impossible and preposterous.

The total number of buildings erected at the camp, large and small, mostly large, was 1,528. The total cost of the camp was \$9,650,000, so that the average cost of these buildings was \$6,315. This included not only the labor and materials entering into the buildings, but the sewers, waterworks, railroads, power plants, laundries, cots, kitchen and other equipment, and miscellaneous facilities around the camp. It seems unnecessary for us to insist that an average cost of \$6,315, including in such cost a proportion of the cost of all the facilities mentioned, could not have been established if any one building of an average type had involved \$7,000 of labor.

We have shown that the cost of labor per cubic foot of building, including utilities and facilities, was only 6½ cents per foot.

The medical building referred to by this witness contained about 53,550 cubic feet, so the labor cost, including utilities, was \$3,480.75.

Other examples of cost given by other witnesses can be demonstrated to be unworthy of belief by the facts submitted in this record and disclosed in the records of the War Department.

If the committee is interested in ascertaining whether or not this camp could have been built more expeditiously or more economically by letting it to a number of contractors, each contractor to construct a part or unit of the camp, we shall be pleased to furnish any information in our possession, and likewise we shall be pleased to furnish anything in our possession if the committee desires to ascertain whether a unit cost could have been established in advance and contracts let to many separate contractors for as many buildings as the financial or other capacity enabled them to undertake.

#### OUR INCENTIVE TO REDUCE COSTS.

During the hearings conducted by the subcommittee at Columbus and Chicago the suggestion was frequently made by some of the witnesses that we were under no incentive to keep down the cost of this work. Most of them appeared to be under the impression that we were to receive a commission of from 6 per cent to 10 per cent on everything we spent, and the more we spent the more we would get. We have covered this ground so thoroughly that it seems unnecessary to go over it again.

Some suggestion was made to the effect that after we had earned our maximum commission we had no incentive in keeping down cost. It seems to us that this suggestion has no justification. We did have the incentive, and it came from nothing else but our desire, indeed from the necessity, of doing this work at costs which would compare favorably with the costs of other similar work. It seems idle to say that we would deliberately destroy

our standing and reputation as contractors by wasting Government money, and had be so wasted Government money it goes without saying that we would not to-day be doing over six and a half million dollars of work on cost-plus contracts for private concerns. The contractor who does work on a cost-plus basis must necessarily do his work well and economically, or he can not compete. His work becomes in a nature professional, and his ability to secure new work depends upon his record of performance. As we have shown, the more work we did the greater became the expense we had to pay without right of reimbursement.

Our performance at Camp Sherman must have been acceptable to the construction division and to the Government officials generally, for we were given the contract for the construction of Camp Johnston, and later were given a contract for the construction of a shipyard and eight concrete ships at Jacksonville.

As we have stated so many times, we used every effort to do this well, and so that our results could be compared favorably with those of other contractors. We were proud to be selected as one of the 16 contractors for the large cantonment work, because among these 16 were the greatest contracting firms and organizations in the United States, and we felt it to be an honor to be selected as one of the 16.

We were proud of our work, and we are now proud of it, and we resent the suggestion that we were lacking in incentive to accomplish the best possible results for the Government, as the best possible results for the Government were of necessity the best possible results for us.

Our pride in the work is illustrated by the fact that on August 24, 1917, we chartered a special train to carry 300 of our friends from Toledo to the camp and back, to let them see what we were doing. It goes without saying that if we did not think we were doing the work well, or if we had no pride in our work, we would not have gone to this expense for the purpose of exhibiting what we were doing to our friends and customers.

#### EQUIPMENT.

Some of the witnesses have testified that about the only equipment required to execute this work was a saw and a hatchet, and that we were not required to furnish of our own or hire any considerable amount of equipment of others.

We shipped from our yards at Toledo, and bought and shipped from elsewhere, a large quantity of equipment for doing the various kinds of work necessary to the construction of the camp, among which were the following:

1 standard gauge steam locomotive.	18 gasoline-engine driving saws.
7 gasoline locomotives.	1 drag saw.
1 caterpillar tractor.	1 engine lathe.
1 steam-hoisting engine with boiler.	1 wood lathe.
2 steam engines.	1 hack saw.
3 steam boilers.	1 emery wheel.
1 gasoline engine.	1 pipe cutting and threading machine.
2 gasoline pump engines.	1 blue-print machine.
2 steam pumps.	20 transit and levels.
2 centrifugal pumps.	2 standard-gauge push cars.
3 gasoline concrete mixers.	13 narrow push cars.
11 steam concrete mixers.	5 concrete buggies.
\$41,000 worth of standard and industrial rails and fittings.	5 wheel scrapers.
1 back filler.	5 slip scrapers.
2 air compressors.	2 truck trailers.
1 post-hole digger.	4 dump wagons.
3 tank wagons.	10 lumber wagons.
	1 sprinkler wagon.

This equipment represented a cost of about \$132,000, and in addition to this we bought large quantities of smaller and miscellaneous tools at a cost of about \$60,000, and also quantities of various kinds of office furniture and equipment, costing about \$7,000.

The contract provided that the contractor should be reimbursed for expenditures for hand tools and like equipment for field forces by providing that a rental should be paid for construction equipment.

The need of the construction division for this kind of equipment was such that before the completion of our work the construction division purchased

about \$80,000 worth of this equipment, and thereupon deducted the rentals on this equipment theretofore paid to us; in other words, the Government paid us the cost of the equipment less the rentals we had received.

In addition to the foregoing equipment the following was rented at the rates shown on the schedule annexed to the agreement:

- 8 Austin No. 00 trench machines.
- 8 Austin No. 1 trench machines.
- 1 Parson model F trench machine.
- 1 Carson trench machine.
- 1 Keystone excavator.
- 1 Oshkosh trench back filler.
- 1 Marion steam shovel.
- 1 Erie steam shovel.
- 1 tank wagon for steam shovel.
- 1 tank wagon for trench machines.
- 1 traveling pipe derrick.

Also, various numbers of teams and wagons, motor trucks, and automobiles.

#### PLANS AND SPECIFICATIONS FOR THE WORK.

The plans, specifications, and information respecting the work furnished by the Government were not comparable to that ordinarily furnished on private work. It was of a general nature as to the number of buildings required, their character, their general arrangement and type. We had to prepare plans for all the details. This included the details of the buildings, the electrical work, waterworks, and sewers.

This camp was originally intended to accommodate 38,500 men, and the buildings were originally designed to accommodate the units as organized in the Army. It is our understanding that later the Government decided to change the units to correspond to those of the European armies, and this necessitated changing the sizes of a large number of buildings and the size of the camp. The camp was later increased to accommodate 45,000 men, and at one time actually had 50,000 men in it.

When we went on the ground the construction division of the Quartermaster Corps had taken the county maps and had roughly outlined the location of the various buildings. In most of the camps the Government provided a resident engineer to furnish a complete engineering force, and whose duty was to perform the surveys, locate the buildings, roads, waterworks, sewers, and other utilities, both as to site and grade, and prepare detailed drawings; but for some reason unknown to us this force was not furnished at Chillicothe, and we were compelled to take charge of the engineering as a whole with only slight assistance from the engineers employed direct by the Government. We had to make the main surveys, check up the general locations, make all detailed drawings, check over the bills of materials furnished by the Government, and in fact conduct a large engineering and architectural organization.

The numerous changes made from time to time as the work went on compelled us to revise original estimate of quantities, and some of the quantities originally estimated by the Government were found to be 50 per cent short. This was particularly true of the matched lumber, as sufficient allowance had not been made for matching and lapping in such items as flooring, siding, and other matched materials. After a large number of buildings had been completed it was necessary to change them, owing to the change in the units comprising the Army. After some of the warehouses were completed the ends had to be torn out and brick walls built in place of wooden ones to act as fire stops. Originally it was intended to heat everything with stoves, with the possible exception of the hospital, and later it was determined that officers' quarters and the hospital should be heated by steam.

The fact is that we did this work from day to day on instructions received from Washington, and that we never had a complete and comprehensive plan of the work including all details and specifications.

#### TESTIMONY OF PARTICULAR WITNESSES.

The testimony of a few of the witnesses before subcommittee was so obviously false as to require us to say it was perjured, and we therefore submit the facts showing that these witnesses, in our opinion, deliberately perjured themselves.

## TESTIMONY OF MAJ. A. N. BESNAH.

## TESTIMONY.

That contractor hired from 200 to 400 trucks; that there was more than was needed and was a gross waste of money.

That the contractor hired a lot of 2 and 3 ton capacity trucks and paid for them practically the same price as for 3½, 5, and 7 ton trucks.

That the rates for trucks ranged from \$20 to \$35 a day.

That he made complaint about the prices paid for trucks, and as a result the contractor reduced rates and discharged many trucks.

That the average number of trucks on the job between July 20 and August 20, 1917, would average 250.

## FACTS.

The greatest number of trucks hired at any one time was 103, and that only for two days. The next highest was 101, and the next was 81. The average was about 39. The pay rolls showed these facts. Maj. Besnah had access to these pay rolls. It was his duty to inspect them.

Maj. Besnah knew the rate fixed by the constructing quartermaster was \$5 per \$1,000 of value, or one-half per cent of value. Maj. Besnah signed a letter stipulating that rate. He knew the constructing quartermaster valued the trucks, not the contractor. The truck contracts prove the establishment of this rate.

The pay rolls show the rates ranged from \$6 to \$34 a day, and the average was \$18.72.

The pay rolls show this as untrue. The rates were never changed.

The pay rolls show an average of 40 for this period.

## TESTIMONY OF CARL N. WATTS.

## TESTIMONY.

That Hollingsworth told him he was too active, to slow up, to keep a big bunch of men on, that it was not important how much work was done.

That Mr. F. W. McCann tried to bribe him.

## FACTS.

This statement is a falsehood on its face.

Mr. McCann is now the secretary of the real estate board, at Columbus, Ohio. His address is 826 Linen Street, Columbus, Ohio. Watts was indicted in Madison County, Ohio, in 1885 for forgery, and was indicted about 10 years later in Franklin County for embezzlement. He embezzled money in 1919 from his employer, and in January, 1919, was caught at Circleville and compelled to return Government property in his possession.

## TESTIMONY OF WILFRED LEE STEVENSON.

## TESTIMONY.

That the labor on the medical building in section H cost \$7,000.

## FACTS.

An obvious impossibility. The average cost of all the 1,528 buildings, including cost of sewers and other facilities, was \$6,315.

## TESTIMONY OF PHILIP H. SMITH.

## TESTIMONY.

That double time was paid for trucks.

## FACTS.

The trucks were hired on a 24-hour basis. The pay rolls show no overtime was paid. Overtime on passenger cars was allowed, but not on trucks.

## TESTIMONY OF W. E. LOWREY.

## TESTIMONY.

That material was wasted; that the contractor connived at graft in the hiring of trucks; that extravagant prices were paid for land; that the contractor got 10 per cent of all the money spent by the Government.

## FACTS.

He was opposed to the war and opposed to the Government; was investigated for alleged seditious and treasonable utterances at least once; among other things, he is an undertaker; he refused the use of his undertaking establishment for the bodies of soldiers who died at the camp during the influenza epidemic, and the Government had to commandeer it for the purpose; recently purchased at a low price for a woman land optioned to the Government under circumstances so questionable that payment to him has been refused. The charges he makes are true.

## LOSS OF DISCOUNTS.

We have just received part 28, serial 3, of the printed testimony taken Subcommittee No. 2, in which appears a statement of Capt. Reese, who claimed we failed to take cash discounts amounting to \$7,876.76.

Some other witnesses make the suggestion that there was a failure to take proper discounts, and some go so far as to suggest that we profited thereby.

The contract provided:

"The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

"All revenue from the operation of the commissary, hospital, or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in the reduction of the cost of the work."

We can prove that we took advantage of all discounts available to the extent of our ability, and that when we were not able to take such advantage we promptly notified the contracting officer or his representative, the constructing quartermaster, of our inability and the reasons therefor.

We have heretofore pointed out that we used in the construction of the camp all our available capital, that we borrowed large sums to pay for materials and labor, and we used, indeed strained, our credit to the limit.

We have shown that due to the inability of the Government to furnish materials when and as required for this work, we were obliged to pay extraordinary pay rolls and to make other outlays far greater than anyone could reasonably expect or require.

An examination of our books will disclose the amount of capital that we invested in this work at different times, and the extent to which our credit was utilized.

Facts are obtainable to show the time and the manner in which payments were made by the Government, and from these facts our ability to take advantage of discounts can be determined.

Our financial statements were in the hands of the Government before the contract was given to us, and our ability and our financial strength was known.

Elsewhere in this statement we have shown the accounting practice at Camp Sherman, and have shown that our invoices for materials were delivered to the field auditor, acting under the constructing quartermaster, who checked

these invoices against the receiving and inspection slips, checked the prices and extensions, figured and deducted discounts, and then gave us authority for the payment of the specific amount on each particular invoice.

If there was a failure to take advantage of any discount, we should not be charged with the deficiency, if any, of the accounting system, nor for the inability to take discounts beyond our available capital and credit.

A detailed examination of the instances in which the discounts were not taken will show that in many cases the material had not arrived at the camp, had not been checked and inspected within the time allowed for taking discounts, and it will be shown that in such cases the Government representatives decided that payment should not be made in advance of the receipt and inspection of the material.

In private work on cost-plus contracts the practice is uniform that the owner is only entitled to discounts in case he furnishes the money to pay for materials when and as payment is required to be made or in case he pays interest on the capital outlays of the contractor.

In this contract interest was not allowed on the capital outlays of the contractor, and the Government did not furnish the money in all cases to make payment when and as payment was required to be made, but the contractor was required to take advantage of discounts to the extent of his financial ability, and was then required to notify the contracting officer, apparently with the view that when the contractor's capital or credit had reached its limit of use, the Government should make such advances as were required to take advantage of discounts.

At Camp Sherman notice to the contracting officer as to discounts was unnecessary, for the reason that the accounting practice required all invoices to be approved in advance of payment by the accounting department, and it determined the discounts available to be taken.

It can not be said or claimed that any discounts were lost by us.

#### OPERATION OF COMMISSARY.

Part 28 of serial 3 of the printed testimony before Subcommittee No. 2 has just come into our hands, and we note the report of W. R. Reese on the subject of the operation of the commissary.

We received this too late to examine the figures and prepare an answer for inclusion in this statement. But we shall, within the shortest possible time, file a supplementary statement, giving the facts and accurate figures, which will be a complete and convincing answer.

#### CONCLUSION.

We have endeavored by the foregoing statements to meet, as well as we can, in the short space of time allotted to us, the charges or suggestions of charges made by various witnesses, believing that thereby we will meet and explain the points of doubt which may arise in the minds of the members of this committee.

We now offer to produce for the examination of this committee, at any time or place set by the committee, every officer of this company and the head of every department on the work.

The intimation was put out in the newspapers that the reason we were not invited or permitted to testify before the committee was that it was necessary to avoid giving us immunity from prosecution.

We neither ask nor will we accept immunity.

We have nothing to conceal. The work was done honestly. It can not be proved to have been done carelessly, recklessly, wastefully, or dishonestly in any respect.

We can disprove any and every charge of wastefulness, neglect, or dishonesty of every character, and we solicit respectfully an opportunity to do so, to the end that our good name may be cleared from the shocking charges recklessly made by the public press on the testimony of uninformed and unqualified witnesses.

We are prepared to show that the testimony of some of the witnesses, upon whose testimony charges or intimations were made in the public press, was perjured, and we now take the full responsibility of saying publicly to this

committee that these witnesses were guilty of perjury in the respects heretofore stated.

Whatever our views may be as to the propriety of the form of contract or the system of contracting, it is of no interest of ours as contractors what that form of contract or system of contracting was the best or most economical or whether it is approved or disapproved. We are interested only in justifying our performance of the contract and in showing to this committee the facts upon which we believe the committee will feel constrained to correct the injustice done to us by the newspapers in reporting testimony taken before the subcommittee.

Although neither this committee nor this subcommittee is under any responsibility for the conclusions of newspaper reporters, or for charges made or imputed in newspaper reports, we are confident that this committee will feel that it has failed in its duty if it does not correct the injustice done to us, as a fair-minded man can conclude from the facts that our performance was anything other than honest, careful, and proper.

We understand that some of the concerns engaged upon public work have represented the inquiries and investigations of this committee and have refused to put themselves to any expense or trouble to assist this committee.

Our attitude is that the committee is entitled to the facts, and we are willing to go to any trouble or expense the committee may consider reasonable to bring before the committee the true facts for consideration, and our only objection is to a hasty or improper conclusion, based upon less than all the facts.

We append to this statement the following:

1. Statement of Hollingsworth's record.
2. Statement by Hollingsworth.
3. Statement by Wisenall.
4. Camp organization chart.
5. Our organization chart.

We also deliver to the committee for examination the photographs taken during the progress of the work.

We also file herewith statements of several persons as to the manner in which the work is performed. Should the committee see fit to receive additional testimony, we request that these persons and others we shall name be called to testify.

We offer and solicit an opportunity to appear before the committee in person to answer any questions the committee may see fit to ask, and we shall seek to for and disclose the facts on any subject concerning which the committee wishes to inquire.

The camp was completed on time.

With full confidence that the committee must find from the facts that our performance was careful, efficient, and honest, this statement is respectfully submitted.

JAMES BENTLEY.

*On behalf of The A. Bentley & Sons Co*

TOLEDO, OHIO, January 10, 1920.

STATE OF OHIO, *Lucas County, ss:*

James Bentley, being first duly sworn, says he is the vice president of The A. Bentley & Sons Co.; that he has read the foregoing statement and the documents annexed thereto and knows the contents thereof, and that the same are true according to the best of his knowledge and belief.

JAMES BENTLEY

Sworn to before me and subscribed in my presence this 10th day of January, 1920.

STANLEY J. HIETT.

*Notary Public, Lucas County, OH*

## APPENDIX.

### STATEMENT OF TRAINING OF MR. HOLLINGSWORTH.

C. H. Hollingsworth, general superintendent.

Born, Halifax, Nova Scotia, Canada, November 27, 1873.

May, 1890, went to Massachusetts, United States of America. From that time to 1896, rodman, transit man, and chief of party on engineering work. Arrived



Inspector and foreman on construction work in various parts of the country, including electric and steam railways, docks, bridges, sewers, waterworks, buildings, etc.

May, 1896, to July, 1897, resident engineer in charge of construction of intercepting sewer systems at Hartford, Conn. Work included 10 miles of main brick sewer from 2½ to 12 feet diameter, of which 3 miles were in rock and soft-ground tunnels, 12 river crossings, and syphons, lateral connections, etc.

July, 1897, to April, 1898, superintendent of construction and assistant chief engineer on 26 miles of high-speed interurban electric railroad in New York and Massachusetts, including 6 steel bridges from 30 to 320 feet long, 24 pile and timber trestles from 150 to 600 feet long, car barns, stations, etc.

April 1, 1898, to August, 1898, in charge of 8 miles of electric railway, car barn and power house in Connecticut, and also in charge of landscape engineering work at Clinton, Conn., including roads, bridges, grading, electric plant, etc.

August, 1898, to February, 1916, on various construction projects, partly in the engineering end of the business as assistant chief or chief superintendent on the construction end of the business. The work handled in that period amounted to from fifty to sixty million dollars and included the following:

In charge of the construction of an \$11,000,000 water-power development at Sault Ste. Marie, Mich. Work included excavation of 1,750,000 cubic yards earth, 780,000 cubic yards rock, 400,000 cubic yards dredging, one cofferdam 3,000 feet long in 20 feet of water and one 3,800 feet long in 2 to 12 feet of water, driving of 87,000 piles, placing of 8,000,000 feet of timber, 70,000 cubic yards concrete, 3,000 cubic yards stone masonry, 3,700 tons steel, etc.

In charge of the construction of water-power plant near city of Quebec, Province of Quebec, including concrete dam 30 feet high and 950 feet long, concrete and steel headworks, earth and core wall dikes, timber protection cribs, three lines of 8-foot 3-inch steel-plate penstocks each 600 feet long, power house with 3,600 horsepower hydraulic turbines and electrical machinery, tailrace canal 60 feet wide, 30 feet deep, and 2,000 feet long in rock.

Also handled at the same time near this plant the construction of 300-ton pulp mill with a paper mill attached. Work included brick and steel buildings on concrete foundations, installation of machinery, etc.

Also at the same time in charge of the construction of a hydroelectric plant at Maddington Falls, Province of Quebec. Work there included a timber crib, rock-filled dam 550 feet long and 12 to 20 feet high, 4-foot steel penstocks, power house, hydraulic and electrical machinery, etc.

Superintendent of construction on the building of a \$6,000,000 open-hearth steel plant and rolling mills at Pueblo, Colo. Work included six 50-ton open-hearth furnaces, gas-producer plant, 27,000 horsepower boiler plant, soaking-pit furnaces, 55 by 60 inch reversing mill, billet mill, merchant-bar mill, plate mill, wire-rod mill, etc. This required 125,000 yards of concrete, 250,000 yards earth excavation, 50,000,000 brick, 15,000,000 fire and other special brick, 25,000 tons of steel, 16 miles of railroad tracks, sewers, water supply, etc.

General superintendent on the construction of a \$5,000,000 water-power development on the Feather River at Big Bend, Butte County, Calif. Work included a temporary timber dam 40 feet high and 600 feet long, 12,000 feet of 18-foot rock tunnel, steel penstocks from 6 to 16 foot diameter, power house to develop 8,000 horsepower, etc. Also such incidental work as the transportation of all material over 30 miles of mountain roads requiring from 2,500 to 3,000 head of horses and mules and two 75-horsepower traction engines. The boarding, lodging, and handling of 3,000 to 4,000 men on the work, the logging, hauling, sawing, and distributing of 8,000,000 feet of timber for use on the work, building of temporary roads, bridges, trails, etc.

Superintendent on the building and sinking of two timber caissons at Philadelphia, the driving of two reinforced concrete-lined tunnels 700 feet long in quicksand, and the sinking of 30 steel-cylinder caissons from 45 to 60 feet deep.

Superintendent of foundation and underpinning work in New York City in connection with the West Street Building.

Day superintendent on the Manhattan end of the Pennsylvania Railroad Co.'s East River tunnels, New York City. Work included the driving of four 23-foot diameter single-track tunnels under the East River and Long Island City under from 20 to 45 pounds pressure of compressed air, the sinking of four steel-shaft caissons (two on each side of the river), and one other shaft in Long Island City. The entire contract amounted to \$24,000,000.

Superintendent of construction and chief engineer for the Black River Power & Navigation Co. in Michigan, in the building of dams, locks, barges, pulp and paper mills, docks, bridges, power plant, etc.

General superintendent on the construction of the \$850,000 Plaza Bridge at Ottawa, Ontario. That work besides the bridge itself included the rebuilding of railroad tracks, construction of retaining walls, and the building of a loop subway for electric railway traffic.

General superintendent on \$10,000,000 worth of work in Mexico including 22 dams of concrete, earth with concrete core wall, and rock fill, the construction of 26 tunnels from 300 feet to 16,000 feet long or 17 miles of tunnels, in all classes of material, and other incidental work, such as the transportation of all supplies through the mountains for distances of from 6 to 35 miles, boarding and lodging of 8,000 to 10,000 men, and various other items.

Superintendent on the construction of new water-works system for Buffalo, N. Y., costing about \$5,000,000. Work included building and placing of 110-foot diameter steel and concrete intake crib in Lake Erie, construction and lining with concrete of 13,000 feet of 12-foot rock tunnel under 15 to 45 pounds of compressed air, construction of pumping station foundations and all incidental work, such as temporary buildings, design and installation of construction plant, etc.

Superintendent on the construction of six reinforced concrete bridges in New York State.

Superintendent on the construction of a \$2,000,000 chemical plant at Buffalo, N. Y. Work included brick and steel buildings, concrete and pile foundations, steam, water, and electrical conduits, installation of machinery, etc.

General superintendent on the construction of about \$750,000 worth of water-works improvements at St. Louis, Mo., including 2,750 feet of 11-foot rock tunnel under the Mississippi River, the construction of stone and concrete intake tower in 25 feet of water, including the building, launching, and sinking of a 116 foot by 5 foot timber caisson, construction of screen chamber 60 feet by 40 feet on shore, etc.

General superintendent on the contract for one section of the New York Catskill Aqueduct, including 2½ miles of 15-foot rock tunnel, three shafts 115 to 135 feet deep, gatehouse, etc., the entire work amounting to \$3,000,000.

Superintendent on the driving of a 21-foot soft-ground tunnel 1,500 feet long at Memphis, Tenn., including the design and construction of 21-foot diameter steel shield and also 2,000 feet of 10-foot tunnel and 1,000 feet of reinforced concrete conduit in open cut.

Superintendent on the construction of a stone masonry dam 65 feet high and 780 feet long, stone masonry power house, etc., in South Carolina.

In charge of the erection of 12,500 tons of steel on the Westinghouse Co. plant at East Pittsburgh, Pa.

Superintendent on construction of United States Lock and Dam No. 4, on the River, at Legionville, Pa. Work included cofferdam construction, stone masonry concrete work, steel dam, pile driving, quarrying, dredging, etc.

General superintendent on construction of 7 miles of soft-ground tunnels at Edmonton, Alberta, including 65 shafts, camps for men, 10 miles of 24-inch gauge railway for hauling materials, etc.

General manager Lake Sand & Gravel Co. at Toronto on the construction and operation of sand and gravel plant and the handling of contracts for sand and one-half million yards of sand and gravel. Was on this five months when war broke out and company suspended operations. Plant included 4,000 yards daily capacity, locomotives and cars, 2,500-ton capacity steel steam cantilever unloading outfit, etc.

In addition to the above have also handled other work in conjunction with some of the large contracts and acted as consulting engineer on numerous building, hydraulic, tunnel, subway, and other projects.

In February, 1916, started a construction and contracting business on his own account, and among other work contracted to build, launch, and sink 85 feet below water level two 18 by 85 foot timber caissons for bridge piers at Moncton, New Brunswick, Canada. Also to remodel power house, construct pumping station and intake tunnel for street railway power plant at St. John, New Brunswick, Canada, and also to construct a reinforced concrete cutwater at the same place, and also to sink two mining shafts from the 3,000-foot level to the 4,000-foot level and drive about 1,200 feet of drifts for a mining camp, at Sherbrooke, Quebec.

STATEMENT OF C. H. HOLLINGSWORTH, GENERAL SUPERINTENDENT, ON THE ORGANIZATION AND CARRYING ON OF THE CONSTRUCTION WORK AT CAMP SHERMAN, CHILLICOTHE, OHIO.

About June 22, 1917, I was called to Washington to meet Mr. Bentley, and arrived there Monday morning, June 23. After conferring with Mr. Bentley regarding this contract, left that night for Chillicothe, Ohio, arriving there Tuesday morning, June 24.

When talking with Mr. Bentley we had gone over the form of contract for me to get an insight into the details of same, and I had also looked over some letters of instruction which he had from the Construction Department at Washington regarding the method of handling the work. I might here state that the general method of ordering the materials was for the Government to wire orders for same and notify us, so that we would make out our official orders to the various companies from which they had purchased the material, thus giving us a record of all material purchased. In addition to that, we were allowed to buy 25 per cent of the material locally, which allowance was made so that we would not have to wait for material in case the order was short, also so that we could order enough to keep the work going locally in case of nonarrival of material ordered from Washington at the proper time.

The paying of the invoices for this material was left in the hands of the contractor and the Government field auditor, who would be located on the work. This purchasing arrangement was made on account of there being such an immense amount of materials to be purchased for the various cantonments which were being built, and to keep the various contractors from bidding against each other and running the price up, and also so that each contractor would get his share of material and get it promptly. All expediting of materials was intended to be done by the Government, but as they had an insufficient number of men to handle that work they later allowed us to put our own men on in order to rush shipments through. For this reason we had several men located at various railroad centers throughout the South, whose duty it was to look after the lumber shipments coming from the Southern States. We also had attached to our office in Chillicothe a number of men to look after local shipments and shipments from the Northern and Middle States.

With regard to the plans for the cantonment, we were supplied, at first, with only a general layout plan showing the various sections, each of which was to be occupied by a regiment of Infantry, a regiment of Artillery, ammunition train, or other military unit.

On my arrival at Chillicothe, June 24, I immediately got in touch with Capt. T. E. Rhoades, United States Engineer Reserve Corps, who was temporarily in charge of the construction of the cantonment, pending the arrival of the regular construction quartermaster, Capt. Ward Dabney. Capt. Rhoades took me over the site of the camp, and we made tentative arrangements regarding the first work to be done, and on the morning of June 25 started the actual work.

The first work to be done was the construction of a temporary railroad track from the Baltimore & Ohio Railroad up through the center of the camp, the construction of buildings in which to house the construction forces, and the building of a warehouse in which to store goods. The building of the temporary railroad track was made necessary from the fact that we expected to receive and unload anywhere from 50 to 75 carloads of material every day, requiring a considerable length of track along which to unload and pile the material, if necessary, or unload it directly from the cars to trucks or wagons for distribution.

The construction of temporary buildings for the use of the contractor's forces for sleeping and eating purposes was made necessary from the fact that we were forbidden to use any of the permanent barracks buildings for sleeping quarters for our men.

The next steps taken were, first, to organize the contractor's forces in order to best handle the work and get the quickest results, and the getting of this organization into action so as to start erecting buildings as early as possible.

The erection of the buildings themselves was really the easiest part of the work, as there was a vast amount of work to be done, such as laying of permanent railroad tracks, the building of sewers, waterworks, drains, electric lines, etc.

In starting this work and laying out an organization for it, it must be borne in mind that it was a contract the like of which had never been let before in the United States, and probably never will be again. The vast amount

of work to be done, the short time in which it had to be accomplished, and the various safeguards which the United States Government threw around the operations, such as health protection, police and fire regulations, accounting, etc., made it a colossal task and out of all comparison with anything which had previously been attempted.

The organization was divided up as follows:

A general superintendent, who had charge of the entire work.

Auditing department, who had charge of the handling of the finances of every description, including the payment of invoices, checking and payment of pay rolls, etc., and much work in conjunction with the Government auditor's department, furnishing to them the detailed information on which accounts were rendered.

An engineer's department, under a field engineer, which looked after the laying out of all buildings, the establishing of grades for same, the reporting of progress, and the handling of all engineering work which was not done directly by the Government consulting engineer. In addition to these duties, it was thought advisable to add to this department the work of digging post-holes and the setting of posts for the various buildings, as this was a considerable task and the building department had a great deal of other work to do.

An office engineer and material-listing department, in charge of an office engineer. The duties of this department were to receive and file all drawings and blue prints sent from the construction department at Washington or from the constructing quartermaster on the job, to attend to the preparing of detailed blue prints, material lists, layouts, plans, etc., for the various field organizations. This department also kept a daily diary of the work, which covered the operations of each day in a general manner.

An employment department, under a superintendent of employment. The duties of this department were to receive and classify all applications, hire men as required by the various departments, and upon requisition from the various departments furnish them with employment slips and allot them to the various sections of the work. This department also handled the gathering up of labor in outside cities, the transporting of them to the work, and other similar details.

A building department, under a superintendent of building construction. The duties of this department were to handle the actual construction of all buildings, of any type whatever, from the foundation posts to the finishing up of same, including such details as sash, doors, plumbing, heating, roofing, etc.

A transportation department, under a superintendent of transportation. The duties of this department consisted of the unloading and distributing of all freight and express matter of any description arriving on the work. This was accomplished by means of teams, trucks, and other methods, as required.

A purchasing department, under the charge of a purchasing agent. The duties of this department were to keep a check on all purchases made by the Government from Washington and to make all incidental purchases required, which, in this case, ran into a vast amount. This department also kept track of the exact condition of all orders, whether shipped, ready to be shipped, in transit or received, and could, at all times, tell the exact status of the material required for the work.

Traffic department, in charge of a traffic superintendent. The duties of this department were to keep track of all materials in transit, between points of shipment and the final placing of the cars on the sidetracks to be unloaded. Records were kept of all cars from the time of their shipment to their arrival on the work and the unloading of same. Under this department were carried a number of expeditors, whose duty it was, when a certain shipment was urgently needed, to go out and see that the cars were rushed through, with the least amount of delay.

Sewer and waterworks department, under a superintendent of sewers and waterworks. The duties of this department were to construct all waterworks and sewers of every description required in the cantonment.

Commissary department, under a commissary superintendent. This department handled the feeding and lodging of the men on the work, including the purchase of their own supplies and other details.

Sanitary department, under a sanitary superintendent. This department took charge of the sanitation of the camp during construction work, and included a large force which looked after the cleaning up of debris around the camp, the inspection of kitchens and dining rooms of the commissary, the handling of injured or sick men on the work, the management of an emergency hospital for accident cases and of a medical hospital for sick cases.

Fire and police department, under a fire and police chief. The duties of this department were to man the fire apparatus provided and also to take care of fire-prevention work, including the removal of all waste building material, shavings, and rubbish from around the buildings as fast as they were completed, and the burning of such portion of these as would be of no further use in such manner as not to endanger the buildings, and the saving of all waste lumber which would be of further use. This force also looked after such police work as was not attended to by Army authorities.

A drainage and railroad construction department, under a superintendent. The work covered by this department included the construction of all surface drains, which were chiefly open ditches, and the building of the permanent railroads.

An emergency department, under a superintendent. The work done by this department covered various items which were not susceptible of being assigned to other departments, or parts of the work on which there was an especial rush and which could be handled more quickly by an independent organization.

Electrical department, under an electrical superintendent. The department covered all electrical work outside of the buildings and also inspected the work of the subcontractor who did the interior electrical wiring. In addition to this they handled a great deal of temporary telephone and electric-wiring work.

The above covers the many branches of the contractor's organization whose duty it was to carry on the actual construction of the cantonment. Representing the Government on this work there was a constructing quartermaster, who had under his direction a staff composed of Army officers, one of whom was an engineer and handled all construction work, while the constructing quartermaster himself attended to the general business and military details. He also had under him a field auditor, whose business it was to keep check of all payments made to the contractor, to handle the time-keeping, and inspect and check all materials arriving on the work. There was also under the constructing quartermaster a property officer, and from time to time various other officers served on his staff.

All orders concerning the construction of the camp were transmitted by the constructing quartermaster to the contractor's general superintendent and carried out by the contractor's organization.

Among the first matters taken up by me with the constructing quartermaster's department were the rates of wages to be paid the men and the matter of looking after the board and lodging of the men on the work, as Chillicothe was a small town and afforded very little accommodations. At that time rates had been established for some of the men, and these rates were given me by the constructing quartermaster's representative, and later on, as various other trades were employed, their rates of pay were established through the constructing quartermaster's office.

The construction of this camp could have been done a great deal cheaper and probably as quickly if it had been the only cantonment under construction at that time, as it would have been possible to obtain expert carpenters and other labor from various parts of the country, and these men, being thoroughly familiar with construction work, would have required very little organizing. As it was, however, there were 16 Army cantonments under construction at that time, and various other National Guard camps, aviation fields, etc., so that we were restricted by the construction division to the use of labor obtainable in the State of Ohio only, and even at that we were not allowed to send to Dayton after men, as there was Government work in progress there. An exception, however, was made in the case of foremen of especial skill. With the above restriction it was inevitable that we were getting men who, while experienced to a certain extent, were not expert construction men. This was so especially in the case of the carpenters, as a great number of them were from small towns where they were used to being engaged on small buildings, working with a few men in a gang, and having plenty of room and plenty of time to do their work. On the other hand expert construction carpenters are accustomed to working crowded together on a building with a small amount of room to work and working under high pressure all day long. The natural consequence was that these country carpenters were not, at first, amenable to discipline, and, in addition to this, each man took up about twice as much room as he really should in getting around on the work. This condition was, of course, remedied as soon as possible. The men were at first weeded out so that they could get around and then, as they became accustomed to the work,

more men were put on. Also the question of discipline was one which was very hard for some of them to take in, as they seemed to think that it was entirely allowable for them to stop at any time and talk matters over with the next man.

As the work progressed, however, the poorest ones were weeded out and the gangs became organized in first rate shape. The above was true, to a greater extent, in the building department than in any of the others.

One unit where the efficiency was quite high from the very first was in the sewer and waterworks department. In this line of work there are a great number of contractors building sewers and waterworks in various parts of Ohio and adjoining States who own and use up-to-date machinery and depend in a great many cases upon speed of work for their profits.

Early in the construction work it was found desirable to use excavating machines, and these machines were rented from the owner, and usually the owner was hired as general foreman covering the section on which his machine worked. These men always brought their own men with them, and therefore had a completely organized and efficient sewer gang. A large number of these machines were put to work on the sewer work, and from the very first showed remarkable results, the same being also true of the waterworks.

The electrical department was another department in which the men were quite efficient from the first. There were enough expert electricians and linemen obtainable to fill up the force, as there were not a great many men employed in this division.

Some of the points regarding the employment of men might be here stated, one being that the greatest number of men employed on the work at any one time was about 11,000, while during the entire contract there were employed at various times on the work about 48,000 men. This covered a period of about three to four months and shows a very large labor turnover and indicates an extremely large percentage of discharges on the work. This was caused by the weeding-out process before mentioned chiefly, but partly by some of the men wanting to quit the work after they found that there was no chance for them to do anything but put in a day's work for a day's pay. During the latter part of the work out of the whole number of men leaving each day a larger proportion of them were men who had been discharged. As the force was at that time well organized, a man could not go very long without it being discovered that he was incompetent.

It is quite probable that in the first rush numbers of incompetent men claiming to be carpenters or other skilled mechanics were employed. They had to be taken on their own word as to their qualifications, there being no other way of determining until after a man had started work. These men would then go on the work and sometimes last for two or three days, or possibly even a week, before somebody in authority got to their case and discovered that they were not doing their work properly and discharged them. Later on, however, a man of this caliber would not be on the work more than two or three hours before he would be discovered and discharged.

It must be borne in mind that all carpenters were not necessarily all expert mechanics, as some of them were used on the placing of sills and laying of floors, at which rough work they were fully of as much value as the other and better mechanics, who would be required to set doors and window sashes.

The system of working as decided upon early in the construction was to have the different gangs specialize on certain kinds of work; that is to say, the first gang of carpenters would set the posts for the building and cut them off at the proper grade; another gang would come along and lay the sills, put on the floor joists, and nail down the floor; another gang would then come along and build the framework, including the upper floor joists, rafters, and studding; another gang would sheet up the building, laying the upper floor and putting on the roof; another gang would look after the inside finishing and set doors and sashes, and the roofing gang would put on the roofing paper. While this method was not at all times carried out, still it was the general scheme employed.

One of the earliest matters requiring attention was the organizing of a commissary department to take care of the feeding and lodging of the men. As there were no buildings on the ground, a furniture factory near the camp site was first rented and remodeled to afford a dining room, kitchen, and sleeping quarters for about 150 men. This was accomplished in a very short time, as while the work was under way on it a larger camp was under construction on the site of the remount station. This consisted of eight bunk houses, each of

which would accommodate about 120 men, and a kitchen and dining rooms, where about 3,000 men could be fed. This commissary camp was in operation soon after the work was started.

Another temporary building which was needed urgently early in the work was a storehouse for the storage of the construction material which had to be protected from the weather. A large storehouse was completed during the first few days of the work, which was approached by the temporary railroad track on one side and by a road on the other. Into this storehouse came all shipments of material, such as door knobs and locks and other hardware, wall board, machinery, and all such material, and they were here stored until required on the work. Later on a number of large tents were purchased and located near the center of the camp in a vacant space near the railroad tracks, and in these were stored the bulky material such as sash, doors, wall board, roofing paper, and such like, leaving the storehouse for the smaller articles.

Another item which required a great deal of attention when organizing the work was the unloading and transporting of materials to the various sections of the work. While there was a first-class brick road running directly through the center of the camp practically north and south, the remainder of the camp site covered an area of about four miles by two miles, and was practically all either cultivated land or hay land, and the soil was of a clayey nature, making it impossible for even wagons after a slight rain. This required transportation methods adaptable to various conditions. Trucks were used wherever possible, as they were much faster, of course, than teams, and could haul a larger load. Supplementing these, teams were used to distribute the material among various buildings over ground where the trucks could not work, and in addition to the above means, section narrow-gauge railroad tracks were used on parts of the camp on which were run gasoline locomotives and small lumber cars. These sectional tracks could be laid where neither teams nor trucks could go, and were therefore used to supplement the other two methods of transportation.

The question of payment of trucks was early brought up, as no price had been fixed by the Construction Division, other than to set \$5 per day for a passenger automobile. After going into this matter pretty thoroughly the construction quartermaster directed us to pay for the trucks at the rate of \$5 per \$1,000 value of truck per day, the contractor to pay the driver and furnish oil and gas. The owner of the truck had to pay for the repairs and upkeep. This was, at that time, considered a reasonable rate, and I personally still consider it so.

In addition to the quarters for the men before mentioned, a great number of other temporary buildings had to be put up, including among other things a great number of time-keeping booths located on various parts of the work in convenient places for the men to check in. These were, of course, small buildings, but necessitated considerable work; also a garage to hold a number of cars was built near the headquarters, and many other temporary buildings were put up from time to time, as needed. None were, however, put up without the consent of the constructing quartermaster, as he had given us orders through his assistant not to construct any temporary buildings whatever unless special permission was granted.

One of the things we urgently required at the starting of the work was an office for the contractor's organization, and also for the constructing quartermaster and his organization. In order to get an office quickly and to avoid the construction of an expensive building for this purpose, arrangements were made to move into one of the large farm houses situated near the center of the camp site, and the contractor's force moved into this building early in July, the alterations and repairs to same being made after the force had moved in, to save time.

The only measure by which this work can be judged, as well as that of the construction of the other fifteen cantonments, is that the country, being at war, arbitrarily stated that the cantonments must be ready by September 5 for troops, and they were ready. Added to the size of the task is the fact that similar work had never been done in its entirety before, more especially within the short time allotted us, and probably never will be accomplished again within the same time.

We started the preliminary work on our contract on June 25, as above noted, and started the permanent buildings about July 6, and when I left the work October 6 there were 1,240 buildings completed. Not counting lost time or Sundays, that was 90 calendar days of 10 hours each, making 900 hours

working time, which, on 1,240 buildings, makes an average of 42 minutes for each building, not to mention the utilities and other work.

Also on September 5, when the first draft men came into camp, the buildings were ready for them, and at no time did any men in this camp have to sleep outside or in unfinished buildings.

The location of this camp was, at its nearest point, about 3 miles from the city hall in Chillicothe, Ohio. The camp site was on comparatively level ground, with a brick paved highway running through the center of it, but with no cross-roads of any description to reach the areas away from the main road. At the lower or south end of the camp the Baltimore & Ohio Railroad ran immediately adjacent to the camp property, and continued along north, passing near the base hospital site, where the Camp Sherman Station was later located.

In order to facilitate the handling of the vast amount of material required, a spur of the Baltimore & Ohio Railroad, which ran to a gravel pit in the lower end of the camp site, was raised and extended up through the center of the camp, parallel with the main highway. As the camp buildings were located well back from the highway on both sides, leaving an open drill ground in the center, this railroad did not in any way interfere with the construction of the buildings later on, and the open drill ground mentioned provided a storage place for lumber and other supplies, which could be piled outside.

On the east side the camp site ran down to the Scioto River and on the west side it ran back to the Frankfort Pike. A new detour road, which was built from the Franklin Pike, ran nearly parallel with the main highway and turned into it north of the camp. Further west, beyond the Frankfort Pike, was the site of the base hospital, and some distance northwest of the camp was a hill on which the water tanks were placed to give pressure to the water supply.

The camp was originally designed to contain one division, including infantry, artillery, and various subsidiary organizations. On the ground the camp was divided off into sections, each section being given a letter, running from A to Z, with additional names to designate outside sections, such as remount station, sewerage-disposal plants, quartermaster's warehouse, etc. These sections were numbered on the plans and blue prints, and along the main highway were erected large signs giving the section letter (see photos), so that a person could readily find his way to the various sections. In directing men or supplies, these section letters were always used.

The camp included accommodations for five regiments of Infantry, two regiments of Light Artillery, one regiment of Heavy Artillery, two training battalions, one supply train, one ammunition train, one sanitary train, one regiment of Engineers, one Engineer train, a detachment of military police, a bakery detachment, Field Signal battalion, telegraph battalion, machine-gun and trench-mortar detachments, one remount station for 10,000 animals, one base hospital, four brigade headquarters, and one division headquarters. The plans of the camp were enlarged during construction until accommodations for 45,000 men were built. In addition to the work already mentioned, there was a refrigerating plant, laundry, garbage-reduction plant, and many other special features in the camp.

As regards the feasibility of constructing this camp by letting it out in a number of units to various contractors, this would have been absolutely impossible on account of the extra work involved in the handling of materials, time-keeping, accounting, etc. Theoretically it looks feasible to have a number of different contractors on the work, but I know from actual experience with contracts upon which there were very few different firms and where the work was not in such a rush as this, that to have divided it up among several contractors would have resulted in complete confusion—they would use each other's material and there would be constant friction between the men on the different contracts. There would be a dozen different organizations for the Government officials to deal with instead of one, and the advantage of the Construction Division at Washington ordering materials directly from the manufacturers in large lots would have been lost, as the various orders would have to be split up in a dozen different orders to accommodate all the contractors, and, finally, there would be no end of trouble with the finances.

One of the most important matters handled on the work was the keeping of the time and the paying off of the men. The time-keeping system has already been described (see Bentley's statement), and I will confine my statement to this to various special features, among others, to the method of paying off. This was to have the Government auditors make up receipt cards for the men



showing the amount of time worked, the rate per hour, and the amount due the man, and distribute these cards the day before pay day. They were given out to the men when they checked in in the morning, and if they found there were any mistakes on them, they applied to the timekeeper of their section, who would straighten the matter out. If the card was all right the man would appear at the checking booth on pay day, after quitting work, and present his receipt card signed, and receive his pay envelope. It was the duty of the Government paymaster to see that the card and envelope checked up, both as to the amount of time worked and amount of money. The timekeeper and time checker would be with him in the booth, so that the checking up was easily done.

With such a large number of men at work on the job there was, of course, a percentage of them which tried to get money which they were not entitled to; or, in other words, to beat the time-keeping system. Various ways were tried and discovered, either by the contractor's men or by the Government officers, and I personally know of no cases where the men got by with a scheme to defraud the Government.

In addition to this were numerous other things to be looked after in order to promote the efficiency of the work in this department. For instance, when the men first went to work they were given a brass check and also a button about  $1\frac{1}{2}$  inches in diameter, bearing a number in black figures on white background. Stringent orders were issued that every man was to wear his number badge in a conspicuous place to avoid having the time checker stop him at his work in order to get his number, and in fact a number of men were discharged for not wearing their number badge in a conspicuous place. There was no good reason for them not doing so, other than to conceal their number, which showed crookedness on their part. As the men took out their brass checks in the morning when going to work and deposited them at night, the time checker in the booth could tell by glancing at his check board on which the checks were racked up just how many men were not working in his section. At night when the men deposited their checks in the time booth they would drop them through a slot. Some of the workmen tried to get away from work before the regular quitting time, but this was stopped by putting a door over the slot with a lock on it, which was not unlocked until quitting time. Another scheme which some of them tried to put over was to give several checks to one man and have the others sneak home 10 or 15 minutes early. This man would then deposit all of the checks as he went by the time booth. This was stopped by having one of the men in the booth come out in front and stand there while the men checked by, and if one man deposited more than one check his number was taken and an investigation was made the next day.

Trouble was also had with the trucks which took the men to and from the city; if they were not watched closely they would sneak off a few minutes before quitting time. In order to prevent this, the transportation superintendent went to the center of the camp, where most of the trucks were assembled before quitting time, and saw that no trucks left before five minutes after quitting time. This enabled the men to quit at the regular time and get to where the trucks were, so they could ride to town.

During the early part of the work, before it was known that the Government would handle the time-keeping system, and before any Government auditor was on the ground, we put in a time-keeping system of our own to bridge over until definite arrangements could be made. As there were not a large number of men on the work at this time, very few timekeepers were needed; in fact I think the whole number which we had from the start of the work until the auditor took over the time keeping was about five or six. The auditor arrived about a week after the work was started, and immediately took over our time-keeping forces and started to build up his organization.

During this period there was, of course, some confusion, as men were being hired very rapidly and discharged pretty nearly as fast as they were hired, as they seemed to have the impression that all they had to do was to apply for work in a certain capacity and it would not make any difference whether they were able to do the work or not. As a matter of fact, the department heads and the different foremen were so busy putting men to work and firing the incompetent ones at this period that they were not able to give the timekeepers much assistance in keeping things straight. This, however, did not last for very long, and the time keeping was soon straightened out.

On the start of the work it was thought advisable to pay all men, from the general superintendent down, on either an hourly or a daily rate, so that the pay roll could be totaled up at the end of each week and there would be no trouble

carrying a monthly pay roll to cover the staff. This was also done because it was thought advisable to have the staff on a daily pay roll so that if they were away for any length of time they would not have to be paid. As a matter of fact, on the work, at any time when the members of the staff were away they lost their pay, while if they worked Sunday they received a day's pay for it, not a double time, but at straight rate per day. This also applied to general foremen, clerical help, and all parties on the daily rate, as no double time was allowed except to the hourly men. Also, the time of the staff was taken by the Government timekeepers the same as that of the workmen in the field, and at first the members of the staff checked in and out the same as anyone else. Later, however, this was abandoned, owing to the fact that many of them would not appear at headquarters until various times through the day, as they went directly from their homes to parts of the work where their presence was required early in the morning and then went on with their work and did not show up at headquarters until later.

During the period of the work up until about September 5 it was desired to use every minute possible, and the men were therefore worked very constantly. While it was necessary to pay them double time for this Sunday work, it was felt that every day worked was a day gained, and as a matter of fact between the time of starting the work and September 5 there were eight Sundays, while the whole elapsed time was about 60 days. These eight Sundays were therefore about 12 per cent of the whole time worked, and represented just exactly that much work done which would not have been done had we knocked off Sundays.

After we found that we had the buildings ready for the first installment of drafted men and were well along with the completion of the remainder of the work, Sunday work was discontinued.

When the contract was signed the land for the entire camp had not been arranged for by the Government officials. Some of it had been leased, but in other sections the terms were in dispute, so there were a series of sections in which we could work interspersed with other sections on which we could not work. The officer in charge of the acquiring of the land was working diligently, but could not get results, and objected very strenuously to our going on the land which had not been arranged for. In fact, Capt. Rhoades, who was in charge at that time for the constructing quartermaster, would not assume any responsibility for our starting work on land which had not been leased by the Government. I, however, started the construction of the railroad through the entire length of the camp on my own responsibility in order to get things going, as I knew there was very little chance of any disagreement serious enough to cause a change in the location of the camp. As it was, we started work on June 25, and I think it was about July 7 or 8 before the land matters were finally settled. This was a period of 12 days, and 12 days on such work meant a great deal of work done, and the risk taken was small in comparison with the time saved.

Some of the matters which made this work extremely hard to handle and much different from the ordinary construction contract were the severe military restrictions imposed by the Army officer in charge of that section of the work, the stringent fire regulations, and Government routine in the accounting department, which had to be strictly observed, and numerous other things. Also the short duration of the work made it impossible to organize it thoroughly before getting under way. On a job of this size we would ordinarily take 60 or 90 days to get it organized and under way, and a year probably would be required to complete the work. In this case we had to compress a part of the year's work into 90 days and organize it as we went along.

When starting the work I had two stenographers and two members of the staff working in practically an empty room in Chillicothe. This force worked day and night and was added to rapidly until the whole organization was built up. We then moved to the headquarters on the work and we were still adding to the force. Throughout the entire construction of the camp, with the possible exception of the last two weeks, the hours worked by the contractor's staff were from about 6 in the morning until 6 at night, and usually a period of from three to four hours more in the evening, while in the auditor's office the force often worked until midnight.

**Building department.**—This department was organized under a building superintendent, under whom were five general foremen in charge of the actual building construction, one general foreman in charge of concrete and brick work, one general foreman in charge of roofing, one general material man in charge of the distribution of material, and one general foreman in charge of

the sawmill work. It was at first intended to have all material come in on the cars, have it unloaded at the sawmills on a set of skids placed on rollers; after a carload was piled on these skids they were pushed 50 feet away from the railroad track to the sawmills and the material was there to be put up into the various lengths required. These would include only the frame material. The siding and floor material would be unloaded on the opposite side of the cars and hauled directly to the work. The sawmills would then cut up the material into the proper lengths and it would be hauled by trucks, teams, or narrow-gauge cars to where it would be required. This could not be done, however, on account of the speed at which the work was carried on, and also on account of the disorder in which the materials arrived. Some of the materials required for finishing up arrived ahead of the materials needed for the floors and framing, so that the program had to be modified, and the mills were used to cut practically all of the short material, rafters, etc., and as many of the longer pieces as could be handled in time. All siding and floor lumber was shipped directly to jobs as required. It was the duty of the general material foreman to obtain every evening a list of the cars which would be in the next day containing lumber, roofing, nails, sash, door, etc. This he received from the traffic department, and after looking it over informed them to where he wished the cars placed. They were placed during the night by the yard engine and in the morning the transportation department started the men unloading, and the trucks and teams distributed the material as required by the general material foreman. When the teams or trucks of material arrived at the various divisions a division material man, who had a shanty near the road, would tell exactly where they were to go.

The various gangs had signs with the initials of the general foreman and the gang number on them. For instance, S-12 was General Foreman Sullivan, gang No. 12, or V-16 was Vandermark, gang No. 16. These signs were placed in a conspicuous place to enable people to locate the gangs and also to enable the timekeepers and others to quickly find them. Some of the general foremen had large-sized blue prints of their sections in their office, and on these blue prints they had small paper tabs with the gang number on them. These tabs were shoved from building to building as the gangs progressed, so that by glancing at the blue print one could locate any given gang. Furthermore, when the field engineer erected grade boards for buildings they put a card on these boards with the building class, number, and section marked on it. This latter method was usually used in directing materials. Under the division material man there were several other material men to keep the teams and trucks straight and direct them to the point where needed, as a lot of material was hauled before the buildings were started.

Under the general foreman of the division, who often had several sections under his charge, there were usually one or two so-called scratch bosses for each section, whose business it was to lay out the work, interpret blue prints when the gang and foremen did not understand, and keep things moving in general. Often the gang foremen did not have blue prints, as they were doing the same work over and over, and if they did not understand what they had to do after the first few times they were dropped. Also for several weeks after the start of the work blue prints were very scarce, as they could not be gotten out fast enough to keep up with the force, many of them being lost or destroyed every day. Furthermore, changes were being made by the Government from day to day, and new sets of blue prints were coming out with these changes noted on them, requiring the calling in of all old blue prints and substitution of the new ones. If all the gang bosses had blue prints, there would have been no end of confusion and trouble resulting from some working with one kind of blue print which was obsolete and others working with the proper kind.

Right here I might state that the constant changes, necessitated by the new conditions arising every day, was one large reason why it was absolutely impossible to let out a lump-sum contract. If a lump-sum contract had been let, the Government would not have been able to make changes as the work progressed, or, if they did make them, there would be unlimited litigation after the work was finished and continued fighting between the Government and the contractor while the work was going on.

Each gang foreman was responsible for his own gang, and no restrictions were placed on the actual handling of his men. If they did not suit him, he had only to send them to the general foreman with a note, and that man would either let them go, or, in case of scarcity of men and under exceptional conditions, might put them in another gang. It was frequently found that while

both foremen and men were good men they could not get along together. While the men could do good work under another foreman. In case any dispute arose between a man and his foreman, the foreman was usually given the benefit of the doubt, as otherwise his authority would have been weakened and he could not keep any discipline. However, in a number of cases where foremen had trouble with a number of men at different times, he was investigated, often by the building superintendent himself. If he was found to be unreasonable he was discharged.

At first, before a great many men were employed, blocks of discharge slips were given to all gang foremen, but these proved to be so disorganizing that they were all called in and no person but the general foreman and others higher in authority were allowed to issue discharge slips. A list of those so authorized was given to the Government auditor so that no other slips would be good. This, no doubt, caused some of the more dense of the gang foremen to think that they had the privilege of discharging men taken away from them, but such was not the case. As before stated, if they wanted to get rid of a man all they had to do was to send him to the general foreman for his discharge.

One trouble with the gang foremen was that when they gave a discharge slip to a man he usually made a bee line to the pay office, where he found his slip was not good without being filled out by the Government timekeeper as to time for the current day, etc. He would then go back to his gang, and the Government timekeeper would have nothing to tell whether he was discharged 10 minutes before or 2 hours before until he would go out and look up the foreman, all of which took time and mixed matters up.

Another thing was that it was well to have some one in a more responsible position make out a slip, and still another objection was that some of the foremen used the slips in a dishonest manner. If a friend of theirs wanted some money between pay days they would issue him a discharge slip; he would then draw his pay, turn in his check, and rehire the next day to another gang. Also it was suspected that some of them would, for a consideration, issue discharge slips to men in other gangs and often on other parts of the work.

When men were sent to the general foreman for a discharge slip the assistant general foreman, who kept track of commissary deductions, handouts, reports, etc., and later on checked up time to assist the Government timekeeper would issue him a discharge slip, noting deductions for the current day, time worked for current day, etc., which slip was signed by the general foreman and O. K'd by the Government timekeeper.

Early in the operation of the work the digging of post holes and setting of posts was turned over to the field engineer in order to relieve the building department of part of their work, as they had a very large task without it.

The building department every day turned in to the general superintendent a report showing the exact status of the buildings in each section, showing the total number, how many completed, the number boarded in, the number of frames, etc.

Besides carpenter work various other activities came under the building superintendent. He had a general foreman on roofing, whose business it was to put on all roofing, set tin ventilators and stovepipe, and later install furnaces.

The method of erecting the buildings was to have one gang put down the sills, place the floor joists, and lay the first floor; another gang would erect the framework; another boarded in the building and laid the finishing floors while still another did the finishing work, and the roofing gang placed the roofing.

The plumbing also came under the building department, although it was put out to a subcontractor, who had his own force on the work.

The concrete and masonry division, under the building department, handled all concreting, including lavatory floors, floor of steam laundry and power house, garbage disposal plant, concrete piers under warehouses, brick work in power house and incinerators, etc.

Under ordinary conditions 30 men is about the limit of a gang which a foreman can handle economically and rapidly. On rush work, however, such as this, better work can be done with smaller gangs, and I fixed a gang unit of 20 men. On carpenter work this figure could be closely adhered to, although the gangs actually ran from 17 to 22 or 23 men and occasionally 25. On the other branches of the work the gangs were varied in number to suit the circumstances.

The material for buildings was ordered chiefly from Washington, and was supposed to come in proper order and in the right proportion of sizes. Actually, the material came in in a very chaotic state, owing to railroad delays, breakdown of some mills supplying certain sizes, slowness of others, speeding up of others, labor shortage in handling of same, and a thousand other reasons. This caused untold extra work and the conditions in this respect changed every day, so that the building department had to arrange its work day by day. Also, it caused us to use more lumber than we would have used if we could have delayed the work awaiting for the various sizes and classes of lumber. Long pieces were often cut to make shorter lengths, but the short pieces left over would be used for bridging between floor joists, filler pieces over the sills, headers over the windows, for sheathing around windows and doors, window awnings, etc., according to the class of material. Also, what material was left behind by one gang was often used by the next gang working on the same building. All short ends, split stuff, etc., was hauled to the lumber scrap pile and stacked up. Later on when short lumber was needed for various things the best of the scrap material was used. Also, when we were ordered to build hose houses and boiler houses, these were built from scrap lumber, as also were short bridges across drainage ditches, and much other work. Later on when the soldiers came into camp there were numerous things to be done inside of the buildings that were not required to be done under our contract. To avoid using good lumber we directed the officers and men to the scrap piles, and they used up a very large percentage of it building shelves, lockers, sink boards, etc. A scrap pile was established in the sawmill yard. This was sorted into lengths and later cut up for various purposes as required.

It must also be borne in mind that there was a vast amount of lumber which arrived at the camp in the form of car stakes, crates around plumbing supplies, sinks, tin troughs, sash, ranges, room heaters, stove pipe, etc., and in the form of bracing in cars of sewer pipe, water pipe, etc. This would amount to from 150,000 to 200,000 feet board measure of lumber, and the greater part was unfit for use—the short lengths were burned, and the longer ones thrown on the scrap pile and helped to swell the latter. (Notice communication regarding the burning of refuse, crates, and boxes in old canal bed.)

Whenever good lumber was left over from a building it was hauled ahead oftentimes into another section. The carpenters having no means of knowing where it went, some of them might have thought it went to the scrap pile.

Many of the foremen of carpenters' gangs who were first employed brought their own gangs, and in a number of cases the entire gang would have to be discharged or broken up and distributed among other gangs, as the foremen would favor those friends of theirs and let them get by with as little work as possible, until the general foremen or the scratch boss acted. As the work went forward, however, this was eliminated.

The men in the gangs were all supposed to be carpenters, and claimed to be such when they were employed. It was not thought wise to employ carpenters' helpers, as laborers would handle the material at less pay, and the carpenters could do the rest. In delivering lumber by wagon it was the usual operation to pull out the side stakes on one side and let a part of the load drop off and then throw the remainder off. In hauling lumber, especially short lengths, on trucks, dump-truck bodies were often used. These trucks would be backed up in position and dumped rather than waste time unloading by hand.

In all, there were built 1,548 permanent buildings and — temporary buildings, besides alterations to buildings on the grounds, etc. There were in all — cubic feet of permanent buildings.

*Sewer and water-works department.*—This department was organized with a superintendent and three assistant superintendents. One of the latter had charge of the water works and was an expert on wooden wire-wound pipe, who was sent to us by the Pacific Coast Pipe Co., to show our men the various details concerning the laying of this wooden pipe which the Pacific Coast Pipe Co. furnished. As he was very efficient and a good organizer, we hired him to take charge of this branch of the work.

The two other assistant superintendents were in charge of the sewer work, it being divided into two divisions.

There was, also, under the superintendent a material man, whose duty it was to see that pipe, cement, brick, etc., were distributed to the proper points and that shipments were made according to the needs.

Under the assistant superintendent there were a number of general foremen, each of whom had charge of a stretch of work employing several gangs and

one or more trench machines and usually a back filling machine. The trench machines were hired at a daily rate, and in most cases the owners of same were hired to act as general foremen, and brought their own gangs of skilled sewer men with them, making an exceedingly efficient organization in this department. Many of the trenches were too deep to be handled the entire depth by a trench machine, so the bottom section was excavated by hand. Also, these trenches were all in gravel and required a large amount of sheathing to prevent caving in. In the shallow trenches, up to about 10 feet deep, the machines frequently dug from 300 to 500 feet per day. Reports were made every day from gangs to the superintendent of this department on the daily progress, and a general report embodying all of this was made by the department superintendent to the general superintendent.

On the main sewer line there were two tunnels, one under the Baltimore & Ohio Railroad, near the sewage-disposal plant, as it was impossible to open cut through this, and a second and longer one under the main road, right in front of general headquarters, as the cut here was very deep and it was impracticable to block this road for any time at all.

In refilling the trenches with excavated material after the pipe had been laid, gasoline back fillers were mostly used. These machines would do the work of 50 or 60 men daily and required only the services of 2 men and used a very small amount of gasoline.

On the water works the trenches were not so deep as for the sewerage and consequently they were much more easily handled. Trench machines were used on this, and the progress was in some cases remarkable. For instance, on one day one gang laid 1,200 feet of wooden wire-wound pipe and other gangs closely approached this record at different times.

A part of the force main from the pumping station to the reservoir tanks was of cast iron, with lead joints, in order to stand the heavy pressure, and the remainder was wooden wire-wound pipe. The reservoir consisted of four 100,000-gallon tanks, built of redwood staves and set on concrete foundations, with two additional 25,000 gallon tanks set on the hill above the hospital. Near the main well, which was 20 feet in diameter and 60 feet deep, was the pumping station; and in addition there were also six 8-inch driven wells for additional water supply, with a small motor-driven pump at each of these latter; the discharges from each led to a suction well, from which the main pumps drew the water.

*Field engineer's department.*—This department was organized with a chief engineer, with numerous field parties to give lines and grades, operating under an assistant engineer; a department under a general foreman which dug all post holes and set all building posts, and another general foreman in charge of connecting up all buildings with sewers and water mains, as this work had to be done sometimes a considerable time after the main lines were completed.

There was also a material man who handled the distribution of material for these various gangs. The matter of posts and post holes looks like a small item, but as a matter of fact there were over 250,000 holes dug and posts set for permanent buildings; besides this, the temporary buildings and fence posts would run up to another 50,000. While the labor on this part of the work was especially efficient, owing to the intelligent handling of those in charge, several schemes were tried in order to dig the holes mechanically. One scheme tried was to use dynamite. A small hole was made with a bar and two or more sticks of dynamite placed in the bottom of same and exploded. The Dupont Powder Co. sent us an expert to try out the above method, but it was not successful. Another method employed was to use a gasoline-engine driven mechanical post hole digger. These are used to dig holes for telephone and telegraph poles but there are very few in use, and after great difficulty we obtained one and tried it out. It was not successful at first on account of the class of material in which we were working. A number of changes were made on it by our mechanical department and it was finally used successfully digging holes for fence posts and would dig about 40 to 50 holes per day. In the main, however, the holes were dug by hand, requiring an immense quantity of tools for this class of work, so many in fact that we cleaned out all the cities within a 50-mile radius and had to have some of the tools shipped in from Chicago and Pittsburgh.

When that work first started, the laborers employed and many of the foremen were unfamiliar with what was to be done, and in consequence some men could or would dig only 4 or 5 holes, 2 feet in diameter and 3 feet deep, a day while others would dig 12 to 15. The men in charge, however, soon set 12

holes as a day's work, and any man who could not dig that many was discharged. This weeded out the poor ones, and then the average per man ran up to 15 and 16 per day, while many dug as high as 20.

On the sewer connections various gangs followed up the laying of the street sewers and ran connections into the buildings. That included excavating, pipe laying, and back filling. The intention was to have this gang also lay the water pipe from the mains into the buildings, as it was all 1 and 2 inch pipe, but when the plumbers got on the job they raised so much trouble that in order to keep them from going on a strike we were obliged to let them do the pipe laying while we did the excavating and back filling.

*Office engineer and material-listing department.*—This department was in charge of a chief engineer, under whom were various assistants, draftsmen, progress engineers, etc. The plans for all buildings and all Government material lists were sent to this department from the general superintendent's office. The lists were checked and the material bill sent to the purchasing agent for purchase and to the superintendent of the building department, so he could have it distributed as it arrived. Frequently the Government material lists were not accurate or certain items would be omitted. If we were to purchase locally, this would make no difference, as we corrected the error; but if materials had to be ordered through Washington any mistake would cause a great deal of correspondence and delay.

This department also made detailed plans for all temporary buildings and other structures which were designed on the ground.

There was also a progress engineer, whose duty it was to go over the work every morning and note the stage of construction progress on all buildings and, returning to the office, would plot up the progress on a large blue print. A daily diary was also kept in the office engineer's department, giving briefly the history of the work in narrative form.

*Purchasing department.*—Our instructions from Washington were that certain goods would be ordered from there and others would be bought by us, but even in the former case we would have just as much clerical work in the purchasing department as in the latter. We were obliged to make out several copies of each order and go through the same steps as if it was purchased by us. This necessitated a large force in the purchasing agent's department. In addition to other work, this department made up a weekly and sometimes a daily report on the status of all material orders.

Under this department an emergency office was opened in Columbus, which was the nearest city, with a local agent in charge, whose duty it was, upon receipt of instructions by mail or telephone, to purchase material urgently needed.

A storekeeper also came under the purchasing agent, and he daily reported his stock so that the purchasing agent would know what articles were low and acted accordingly.

*Traffic department.*—This department, under a traffic superintendent, kept books showing the location of any given car of material at any time and expedited material that was on the way. They received telegraphic notices of shipments of all carload lots of material, giving car number and exactly when it had been shipped. They had expeditors out in various railroad centers throughout the South to look after lumber shipments. These men also traveled to the mills so as to keep in touch not only with the shipments as they came out, but also get advance information on expected shipments. Also, in the Middle and Eastern States, they had other expeditors looking after such material as cement, sewer pipe, sash and doors, wall board, etc., and daily advices were received from junction and transfer points and divisional points giving car numbers passing through. This information was recorded as received. In this way strict account was kept of each car from the time a shipment left the point of origin until it arrived at the camp, enabling us to keep a constant flow of material and plan the work a few days ahead.

This department was also in charge of switching and activities in our railroad yard at the camp. Each day a car list was issued showing the arrival of cars and just what was in each one. Each afternoon the yardmaster made out a switch list of the cars that were to come in that evening and would then go over this list with the various material men, who would instruct him as to where they wanted them placed. During the night the engine crew would place these cars as ordered, and they would be ready for unloading in

the morning. In all there were about 3,350 cars of material handled, besides gravel, which was loaded at one part of the work and transferred to another. The material came from all parts of the country, from the Atlantic to the Pacific, and from Wisconsin to Florida, and the cars were traced from the time they were shipped until their arrival. In addition to this there was a vast amount of express material arriving, many times in carload lots.

*Transportation department.*—This department, under a superintendent, had charge of all transportation on the work, whether by trucks, teams, or other means. Also of all unloading of materials from the cars, etc. Under the superintendent there was an assistant superintendent, who handled the office work and whose particular duty was the assignment of trucks and teams and the giving of orders to same, in which they were instructed as to what they were to do.

There were also two general foremen in charge of labor, one who handled the work at the southern end of the camp and the other attended to all unloaded at the northern end. Under each of these were many gang foremen. There was also an assistant superintendent in charge of teams, under whom there were a number of team foremen. Later on the camp was divided up into two zones and an assistant superintendent was placed in charge of the teams in each zone. The trucks were handled directly from the transportation office.

The transportation was an extremely difficult proposition to handle on account of the scarcity of suitable trucks and teams, and also on account of the intermittent work of unloading and its changing location. Cars were switched at night as much as possible, but usually a second movement was made during the day. As this switching would take an hour or two, the unloading gangs would have to be moved to other work during switching operations. Usually it was endeavored to do the switching during dinner hour, but this was not always possible, as a train of flat cars was run every noon time, starting at the north end of the camp site and running down to the south end, to bring the laborers down to their dinner and to take them back again before 1 o'clock.

The trucks and teams were a never-ending source of trouble. While a large part of the trucks were driven by honest and efficient men who delivered a day's work every day, there were a lot of them who were continually wrangling about how much material they were to take at one load, whether they could or could not go in over certain ground, and a thousand other things. These men were fired as fast as possible, but there did not seem to be much improvement, as they were accustomed to city streets and the plowed fields and clay soil frightened them. Also a lot of them did not know any more about driving a truck than they did about driving a chariot in heaven, and they would get into the most impossible places, where they had no business to be and where they would get stuck and then raise a lament that they were overloaded. Their idea of getting out was to sit there and wait for someone to come along. Usually someone in authority did come along and promptly straightened them out. Many times I have stopped personally and shown some fool truck driver how to get out of a hole when he should have known enough to do a few simple things and get out himself. On the other hand, there were some excellent drivers who handled their trucks like experts and attended to their own business, and with those there was practically no trouble, except an occasional complaint from the constructing quartermaster that they were exceeding the speed limits of the brick road.

It is a matter of record that one truck hauled 82 tons in one day a distance of about 2½ miles, and in less than 10 hours. As much as possible the trucks, and especially the heavy ones, were confined to the traveled roads. Among other things, there were a number of trucks assigned to the various departments permanently—the warehouse had two or three trucks for delivering small orders to various parts of the work in a rush. These were practically never loaded to capacity as the work could not be held up until a load was collected for a truck. The master mechanic had two trucks, one of these being a fairly heavy truck assigned to the rigging gang. The greatest load this truck ever hauled consisted of three or four men with coils of rope, rollers, jacks, etc. It was also used by the rigging gang for hauling on lines when erecting towers or moving machinery, and was kept with them all the time. The other truck assigned to the master mechanic was used to haul light machinery and supplies to the various parts of the work, and was never loaded very heavy. Still others were assigned to the roofers and might haul a capacity load of roofing or might only take half



a dozen rolls of same, according to conditions to be met. Still others were assigned to the electrical department, and when the men were constructing the main feeder line from Circleville to the camp about all the truck had to do was to haul the men and the tools to work and then home again at night, excepting possibly to pull the wires up tight. However, it would have been impossible to have had their truck come back to camp and do any work as it would have spent about all of its time on the road. Whether or not these trucks were needed was usually decided by me after the matter had been explained by the department heads, and no trucks were asked for unless badly needed.

All trucks were given a number, which was displayed in a conspicuous place, and the driver wore his own number badge. The highest truck number issued on the work was 136. The timekeeper could take the number of both truck and driver without stopping him. Trucks obtained gasoline at the filling station near the transportation office and went there for it whenever their supply ran low. The trucks assigned to distant parts of the work usually took on gasoline in the morning, but as many of the trucks would pass the filling station several times daily they could get it at any time. The transportation department found that a number of drivers would crowd in early in the morning to have an excuse to loaf, as this would congest traffic and hold up things generally. Orders were given to the various drivers to spread out and get into the gas station at various times, and a schedule was even arranged for that.

Another bone of contention was the matter of repairs. While the truck owner was required to keep his truck in repair, certain of them were continually insisting that we pay for certain repairs which they would claim were necessitated by accidents caused by other parties employed on the work, as can be seen from the reports of the transportation department on file. There was more trouble taken to check up the time of the trucks and drivers and the teams and to keep them working and prevent their taking advantage in some way than was required for the rest of the men combined. I will say, however, that the usage the trucks received on the work was such as to rapidly reduce them to junk, and any trucks that stood up during the whole period of construction did remarkably well. This was caused by the high speed at which they were operated and the rough roads and lack of roads.

The trucks were under the transportation superintendent directly, but when assigned to a department it was also up to the department head to keep them working, and if this was not done the transportation superintendent would take them away. When hauling material to various parts of the work the different material men kept close track of them, while the foreman of the gangs loading trucks and their general foreman were also responsible for them.

It was quite a problem to get the men to work in the morning and home at night. A system was worked out by the transportation department whereby all the trucks reported at 6.30 a. m. at various designated points in the city and took aboard a load of men, whom they hauled to some fixed point in the camp, and then started their own work. In the evening most of the trucks would assemble near the center of the camp, and the men were hauled in town to the places where they had been picked up in the morning. As the same trucks always went to the same place in town, there was no mix-up. Also, other trucks went to the outlying portions of the camp for special gangs engaged there. Rules were made that they must leave the city in the morning not later than 6.30 and leave camp not earlier than 6.05, and those rules were strictly enforced.

The only time during the work when there was any sign of congestion in the transportation department was early in September, when a large number of trucks was engaged through us for the use of the camp quartermaster. At that time we had received orders from the constructing quartermaster to do no more hauling of supplies for the camp quartermaster, and that he would have to provide his own trucks. He requested us to get some for him, and a call was sent out to the various cities, resulting in 20 or 30 trucks coming in. When they arrived the camp quartermaster was not ready to use them, and, in fact, did not require all of them in any event. Some of them were entirely unsuitable for any work at the camp, and those were turned back. Some were put to work with the camp quartermaster, and as we had considerable extra work coming out just at that time we used a number of them on our own work for a short period.

During the construction of the camp over 50 carloads of material were unloaded each day and hauled by the transportation department, and some

days as high as 75 cars were handled. In addition to this, a vast amount of gravel was hauled for concrete work, and a great deal of material was hauled from Chillicothe to camp, in addition to the hauling of the men every day.

Another fruitful source of trouble, next to the trucks, was the teams. When we started to work, and, in fact, all through the work, teams of any kind were scarce. Practically all the time on the work the stock used was small and many of them poorly fed. Also, many of the teams hired were owned by farmers near the work. They worked on the camp whenever they did not have anything else to do, so that one day we would have more than enough teams and the next day would not have enough. We finally secured the services of a veterinary and had him go over all of the animals in the camp, so any that were in bad condition or ill fed were discharged. This caused a great deal of ill feeling among the team owners, as each one considered his animals were the best. At first a number of team foremen, under the assistant camp perintendent in charge of the teams, were allotted a number of teams to handle. This did not prove satisfactory, as the teams were in various parts of the camp at various times; so, later on a zone system was worked out, whereby each foreman covered a certain amount of territory and, whenever any team came into that territory, they were under his supervision. These team foremen were supplied with saddle horses, and this system gave good results.

Regarding the labor gangs employed in the transportation department, the department would every night get a car list stating where cars would be placed in the morning, and gangs were assigned accordingly for the next day. The Government material checkers had their office near the transportation office and worked in harmony with this department, and were notified whenever a car was to be unloaded.

*Sanitary department.*—This department, under a superintendent, worked under the direction of the United States Army medical officer, who was on the constructing quartermaster's staff, but later on the divisional staff. Very stringent sanitary regulations were enforced. All commissary kitchens were screened, all garbage removed, loose papers picked up, etc. Mosquito extermination work was also carried on, weeds were cut and removed, and latrines were disinfected daily. All accumulation of manure or filth around the farmhouses were removed, and this was a considerable task. Grounds around the dining rooms, bunk houses, and offices were cleaned up daily, and all papers and workmen's lunch refuse was removed from around buildings daily. The refuse was cremated in garbage incinerators, which were built in various parts of the camp.

*Fire department.*—This department was under a fire chief, who, in this case was a retired captain of the Cincinnati Fire Department. It was organized to handle not only fires, but to prevent same during construction. Very strict fire rules were enforced by the constructing quartermaster, and the fire department gave remarkably efficient service, being one of the best managed parts of the work. Light trucks were provided and chemical apparatus bought and placed in them. Fire extinguishers were placed in all offices and temporary buildings. Construction fire division rules regarding fire were very stringent. All shavings, rubbish, etc., had to be removed daily and burned.

A clean-up department was organized under the fire chief and controlled by him. All scrap lumber was hauled to the scrap pile, and rubbish was removed and burned. This was done directly after a building was completed. The fire department was composed entirely of former firemen from the large cities, who were familiar with their work. Some of these men were detailed to live after the fires where rubbish was burned, so there was a man there day and night with a force of laborers who attended to the fires. Other firemen attended to the placing of fire barrels and pails wherever a building was started, and still others remained in the fire stations. There was not a dollar's worth of fire loss on this camp through the entire construction, though the weather in August, September, and October was extremely hot and dry, and the buildings were of the flimsiest wood construction, making the fire hazard enormous. An inspector frequently came to the work from the National Board of Fire Underwriters, and inspected conditions and reported upon same in the most favorable manner. As quickly as hydrants were placed and water turned on, the feet of hose was provided for each hydrant.

In the early part of the work a temporary water supply was put in, both for domestic use and for fire purposes. Also at the south end of the camp a 6-inch main was laid from the city water supply.

*Employment department.*—This department was under the direction of an employment superintendent, with several assistants. The Ohio State employment bureaus in the various large cities furnished as many men as they could find, and our employment superintendent kept in close touch with them at all times. Frequently, however, they could not furnish the men required, and it was then necessary for our men to look up men in different localities. Men were continually coming in on trains, especially on the night trains, and our employment superintendent arranged to meet these trains with trucks and transport the men to camp. He also kept in touch with the various labor unions, and other people controlling the labor market in various parts of the State. As quickly as men reported for work, employment slips were made out for them, and they were assigned to different sections of the work. There were, during the entire construction, approximately 48,000 hired, while the greatest number employed at any one time was slightly over 11,000, giving a labor turnover of over 400 per cent.

*Electrical department.*—This department was in charge of an electrical superintendent. Under him was an assistant in charge of interior wiring, and another in charge of the outside construction, and an office man. This department built all pole lines, strung outside wiring, and placed and removed all temporary telephone, telegraph, and electric-power lines. There were on the work 137 telephones over an area of  $4\frac{1}{2}$  miles long by 2 miles wide.

This department also inspected and checked up interior wiring, which was done by a subcontractor. In order to get electric power to camp in time for use when the troops arrived. It was necessary for this department to build a main feeder line from a point near Circleville to the camp, this work being charged up to the Ohio Electric Co., who had no men available to do the work themselves. There were two small gasoline-driven electric plants used for lighting purposes in various parts of the camp when night work had to be resorted to.

*Railroad and drainage department.*—This department, under a superintendent, handled the standard gauge railroad construction, whether temporary or permanent tracks; also all surface drainage work. Under him was a general foreman in charge of track construction; under him, in turn, were a number of gang foremen. On the drainage work there were several independent foremen working directly under the superintendent. On the track work a 70-ton steam shovel was used to handle ballast required for the tracks. On the drainage work there were used at different times three steam shovels and several trench machines. These drainage ditches were sloped off on the sides by hand labor. As there were numerous low spots in the camp it required a very large mileage of ditches and many drainage canals.

Under this department several drainage culverts were built; also a bridge across the old canal near the south end of the camp. Also considerable temporary road work. This department installed a steam shovel near the Scioto River, which was used to load gravel on teams for use in different parts of the work. There were built in all  $7\frac{1}{2}$  miles of permanent railroad track, about  $3\frac{1}{2}$  miles of temporary track, and about 45 miles of drainage ditches.

*Emergency department.*—This department, under a superintendent, handled various projects which were more or less apart from the other work. The most important being the waterworks pumping station and well houses and the sewerage-disposal plant. Both of these pieces of work were quite complicated and were situated away from the other work.

*Mechanical department.*—This department was in charge of a mechanical superintendent, and included a machine shop, blacksmith shops, etc. Working under the superintendent were various gangs, such as pipe fitters, boilermakers, machinists, riggers, oxyacetylene welders, etc. This department handled all temporary pipe fitting, kept plant in repair, and similar work. One of the most important pieces of work done by this department was the construction of a temporary water plant to supply water for fire and domestic purposes previous to the building of the permanent plant. This consisted of two elevated steel tanks and several miles of rough iron pipe line from 4 inches down to 1 inch in diameter. The rigging gang erected trestles, moved heavy machinery, erected smokestacks, etc.

*Commissary department.*—This was one of the most important divisions of the work, and was handled by a commissary superintendent in an exceedingly efficient manner. While the number of men to be fed was great, the stringent sanitary regulations imposed by the Government sanitary officer made it doubly hard. In the kitchen and dining rooms floors had to be scrubbed twice

daily. Space in the kitchen had to be screened off in which to cut meat. All pastry supplies had to be under screen. All bread boxes had to be scoured out daily and specially constructed refrigerators used. All garbage was removed daily. In removing garbage, cans and all were taken and thoroughly cleaned and disinfected before they were returned the next day, at which time empty cans would be left and the filled cans removed.

In each of the kitchens a large number of hotel ranges were set up, back to back, along the center, and steam cookers for cooking vegetables, meats, etc., were installed. The first camp established, No. A, was capable of handling about 400 men; B camp could feed 3,000 men; C camp, which was at base quarters, could handle about 150 men; and D camp, which was a temporary camp, could feed 6,000 men.

It must be borne in mind that these camps, when feeding the men, had to do all of the work in about 20 minutes, as the time allotted for meals was very short.

The accommodations for sleeping quarters for the men were limited. A great many of them preferred to sleep in the city and take their meals at the camp. At the A camp there were accommodations for about 200 men; at B camp accommodations for about 2,000 men, including temporary bunk houses; and at D camp accommodations for about 1,500 men. Near camp B the quartermaster's warehouse and numerous buildings of the remount station were used for bunk houses, but we were not allowed to use any of the permanent barracks buildings for this purpose.

Meal tickets were used, and these the men could obtain from their quartermaster, foreman and timekeeper, and the meals were punched out as the men filed into the dining room.

That this service was remarkably efficient can be seen from the fact that camp D 6,000 men were fed in 20 minutes.

Reports were received at the office of the general superintendent from each of the department heads each day before noon covering the work done during the previous day. These reports were not only statistical but gave many details about the work. From the outside departments they related chiefly the progress of the work, while from the traffic departments was received each day a car list giving total number of cars of each class of material shipped, number shipped to date, and number received and unloaded. The department also gave me a switch list every morning showing cars received and placed during the previous 24 hours, etc. All reports received were looked over and initialed by the general superintendent and filed.

A daily progress report was also made up by the constructing quartermaster and a copy sent to the general superintendent.

C. H. HOLLINGSWORTH

STATE OF OHIO, Lucas County, ss:

C. H. Hollingsworth, being first duly sworn, deposes and says that the facts set forth in the foregoing statement, to which he has signed his name, are within his personal knowledge, and are true as he verily believes.

C. H. HOLLINGSWORTH

Sworn to before me and subscribed in my presence by the said C. H. Hollingsworth this 9th day of January, A. D. 1920.

[SEAL.]

STANLEY J. HINTZ

Notary Public, Lucas County, Ohio.

STATEMENT OF BERNARD T. WISENALL AS TO HIS SERVICE AT CAMP SHERMAN PARTICULARLY IN REFERENCE TO CHECKING OF LUMBER AND UTILITIES WASTE.

I went to Camp Sherman August 2, 1917. Was given a position and to work August 6.

I was directed to assemble the information concerning the supplies of lumber available for construction, so that those in charge of the work could coordinate as well as possible the labor and the material.

I believe I was put in charge of this work because of my previous experience as an architect and builder. I have been an architect since 1888—32 years in Cincinnati, and I have done some building as a contractor.

During the time mentioned, I have designed and supervised the construction of a considerable number of buildings, of all sorts, in and about Cincinnati, including the Pugh Building, which is 310 feet by 170 feet, 12 stories high, concrete construction; the Covington courthouse; the Donaldson Lithograph Co.'s building; the Kelly-Koett Manufacturing Co.'s building, and others.

My first and only acquaintance or connection with the Bentley Co. was on the Pugh Building, which that firm built; the first section being built in 1905 and the second section in 1907.

About the first work I did at Camp Sherman was to make a survey of the available lumber for the work on sections A to M, being the work then in progress. To do this, I checked all the piles of lumber in that section and assembled all the information as to the lumber available on the ground. As I have said before, this information was necessary so that those in charge could properly lay out the work and keep the men at work.

In connection with the ascertainment of the available lumber, we checked our figures against the lumber received at the camp and previously used.

I think the next work I did at the camp was in the office in figuring the roofing required at the camp and checking the orders for roofing, receipts, etc. I designed and supervised the making of plans for some fire engine and boiler houses.

About the next work I did was to measure and determine the lumber in all temporary buildings around the camp, such as warehouses, offices, commissaries, latrines, stables, etc. This was also done with the view of checking receipts of lumber against the estimates of requirements and the lumber used. In connection with this work I "cubed" and ascertained the available lumber then in the salvage piles.

It is my recollection that there were over 2,000,000 feet of lumber in these temporary structures.

On September 5, 1917, I made a survey of the wastage of lumber around one of the barrack buildings and submitted the following report to Mr. Hollingsworth:

CHILlicothe CANTONMENT, September 5, 1917.

Mr. C. H. HOLLINGSWORTH,  
*General Superintendent.*

DEAR SIR: I made a survey of the wastage of lumber around one of the barrack buildings, No. 1, in section T.

This shows a total waste of 5,100 board-measure feet. The amount of lumber ordered for each building No. 1 totals 81,200 board-measure feet, and the wastage, therefore, according to this estimate, shows 6 per cent.

In this survey there is no account taken of the wastage from sizing the material or at the sawmills.

I wish also to call attention to the fact that a very large percentage of waste lumber consists of siding, flooring, and boards, there being very little piece stuff, such as joists, 2 by 4s, or 4 by 4s.

Respectfully submitted.

B. T. WISENALL.

This work was done by me under the instructions of Mr. Hollingsworth with the view of ascertaining as exactly as possible the wastage of lumber.

I think I made other tests of a similar nature.

This test was made by carefully collecting all the waste and scraps of lumber about this particular building and piling them up in rectangular piles, capable of measuring.

The 6 per cent waste shown in my statement did not include the wastage resulting in sawdust, as there was no means of checking that kind of waste in the field, and my statement did not include, and was not supposed to cover, the wastage in the sawmill which would come from cutting rafters and braces on angles.

It was the practice at the camp to have the sanitary corps and the fire corps gather and haul all waste lumber to the salvage piles, where it was sorted, piled, and used for a great variety of purposes, such as the construction of sidewalks, inclosing or boarding up buildings between the floor and the ground, making tables, shelves, closets, etc., in barracks buildings, small buildings such as coal and boiler houses, coal boxes, time booths, for casing exposed plumbing pipes, making bridging, putting wooden awnings over windows, building ventilators, for battens on papered buildings, and other small and miscellaneous uses.

My work required me to be in all parts of the camp, and I can say that not less than half of the lumber hauled to the salvage piles was ultimately used and not over half was wasted.

When the soldiers came into the camp they required all sorts of lumber for all sorts of purposes, and it was arranged with the military authorities that the odd pieces of lumber required were to be taken from the salvage piles, although I should state that in my work of checking available supplies of lumber I found that the soldiers or military authorities took and used a great deal of lumber which was put on the ground for construction purposes.

About this time I made a survey of the available lumber of sections N to L and my report of that survey shows 32,880 feet of odd size or scrap lumber.

I think the next work I did was to check and inspect the plumbing and looking after the plumbing work in an effort to get their work in good condition. This seemed to be necessary because of the unsatisfactory progress of the work.

I was next put in charge of a gang of 186 men, consisting of all kinds of mechanics, known as "trouble shooters." With these men I did all kinds of odd jobs, patching, repairs, special work, and emergency work, and was called from one end of the camp to the other.

I was later put to work as one of the office engineers in checking estimates, materials, and doing office engineering work.

The great difficulty to overcome in the construction of this camp was keeping the supply of materials and the supply of labor balanced, and from the first, except when I was in charge of the "trouble shooters," my work was connected with the collection of information from which the general superintendent and others could coordinate the work.

From my observations and work around the camp and the surveys and tests made by me and from my experience as an architect and builder it is my opinion that the waste of lumber in the construction of this camp compared very favorably with normal waste or normal work.

It was not always easy to check and determine waste, as, for instance, the first estimates made by the Government showed an estimate of 10 per cent waste siding. This we afterwards figured to be at least 25 per cent, as can be demonstrated.

Those who criticized the waste of materials in this camp are, in my opinion, unable to comprehend or visualize the magnitude of the work. It will take a week to go through the camp—building by building—and get any kind of idea of what the work was. No one in the history of the building trade ever did anything approaching this work in magnitude, and the speed with which it was done is not to be compared with any other work that I ever heard of.

The enormity of the work was appalling.

To check the available lumber on either of the camp sections above mentioned, I used a force of 30 men. These men were spread out at equal distances from one end of the sections to the other and starting on opposite sides they came together with the figures showing the lumber in piles and around the buildings available for use.

As I have said, the serious problem was the balancing of supplies, of labor and materials. There were never to my knowledge excessive numbers of men employed about the camp, although there were emergencies when numbers were short, at which time the working forces had to be held together and used to the best advantage.

If there was any undue waste of nails, hardware, wall board, roofing, or other materials, I did not see it.

The men employed about the camp were sent in from employment agencies all over the State and we were obliged to use the men sent to us. We did not pick the men in advance, and we used those sent to us to the best advantage. When a man was found to be of no use he was discharged, but it was found that inexperienced carpenters or amateur carpenters, such as farmers, were just as useful as skilled mechanics on certain types of work, and that these men could be used to good advantage under competent foremen and with a sufficient number of skilled workmen.

The discipline about the camp was as good as it was possible to make it in work of that size over such a large territory as, it was my judgment, that the carpenters and laborers did their work as well and as diligently as could be expected.

I can not say this about the plumbers or the steamfitters, as their work and demeanor was anything but satisfactory. On one inspection trip with Mr. Gibbons, the plumbing contractor, we discharged 15 plumbers for loafing.

frequently heard Mr. Hollingsworth and Mr. Bentley censure Mr. Gibbons for the failure of his men to give satisfactory service, but he seemed to have no control over them and it seemed impossible for anyone to control them.

I have been told that some witnesses testify that Mr. Hollingsworth gave directions or suggested that the men might as well take things easy, but I am certain that if any instructions of that nature had been given that they would have come to my attention. There were all sorts of incredible rumors about the camp as might be expected among 10,000 or 12,000 men. It was possible to hear almost anything. I have heard that there were murdered men lying in the fields outside of the camp; that workmen had been robbed going home from the camp and all sorts of things.

It is utterly impossible and unbelievable that Mr. Hollingsworth gave any instructions or orders such as those above indicated, and his constant demand was that the work must be expedited. I never saw anything looking like a concerted loafing except the loafing among the plumbers and that I know, from personal experience, was uncontrolled.

**STATEMENT RELATIVE TO TIMEKEEPING, PAY ROLL, AND ASSOCIATED ACTIVITIES DURING THE CONSTRUCTION OF CAMP SHERMAN AT CHILLICOTHE, OHIO, BY GEORGE D. AUCHTER, ASSISTANT TO GENERAL SUPERINTENDENT DURING THE CONSTRUCTION OF THIS CAMP.**

On or about the 1st of August, 1917, I was called into the office of the general superintendent at Chillicothe, and was told by him that after consultation with the constructing quartermaster and the field auditor, it had been decided that we would use our own available forces to assist and check the work of keeping the time and making the pay rolls covering all employees on the work. The general superintendent told me that he had been requested to do this inasmuch as the Government forces were swamped with work, due to the great number of men employed, and that they wanted assistance so that the condition would not become aggravated as additional men were put on in order to speed up the construction of the camp. He told me still further that he was going to detail me to cooperate with the field auditor, with the idea of helping them handle the timekeeping and pay roll work.

At this time we were just organizing a system whereby our employees, who were eating at the commissary, could make payment for their meals. It was obviously impossible and impracticable to handle this on a cash basis, and we, therefore, resorted to the meal ticket system. Under this system an employee received a meal ticket from one of the representatives of the contractor. His receipt was taken at the time the meal ticket was issued, and this receipt was then listed for our records and turned over to the Government pay-roll department, so that the amount could be deducted from the man's wages. Obviously these receipts had to be handled with the greatest dispatch, so that fraud could be reduced to a minimum. Our general method of handling this was to have our clerks, in whom was placed the responsibility of handling the meal tickets, turn in each evening at the close of the day's work all receipts for meal tickets issued that day. These receipts were then immediately sorted numerically. (By "numerically" we mean as concerns the workman's identification number, which corresponded with his number on the pay roll.) Necessary records were made of the receipts turned in for the day so that the accounts of the individual clerks could be credited and the commissary account charged, after which the receipts themselves were sent to the office of the Government pay-roll department, where they were immediately posted on the pay roll for deduction. In this way it was possible to eliminate the possibility of an employee securing a meal ticket, and in the event of discharge being paid off without deduction for the meal ticket. The work in connection with this particular item was enormous, there being days when we had as many as 5,000 meal tickets issued.

When I was told that we were to assist the Government timekeeping forces, in so far as possible, I immediately used those men who had been handling meal tickets as one of their duties in addition to acting as record clerks and assistant of the general foreman on the construction. These clerks were instructed to cooperate as far as possible with the Government timekeepers; the idea being to secure additional field checks on the workmen in the field. This had two effects; one, it reduced the possibility of overpayment of wages; the other, it reduced the possibility of shortages in pay caused when men were not caught on the physical field check, or other clerical errors of omission.

The timekeeping system in use at this time was really made up from a set of individual systems, all of which were practically identical. The physical dividing line between the individual systems being the same as the physical dividing line between the various construction units into which the whole project was reduced. For instance, the construction of the hospital buildings was under the direction of a general foreman and foremen reporting to him. Likewise, there was a separate system of timekeeping for the hospital work, and all men on this particular unit of the main project were carried by timekeepers in this district. Their time was reported daily to the main pay-roll office, where it was posted on the pay roll each day for the preceding day. Before being reported, however, it was very carefully checked with the clerks handling meal tickets and assisting the general foremen in minor duties, and still further to avoid the possibility of overpayment or shortage, with the foreman proper in charge of the individual gangs of workmen. Each morning every man in this section had to pass the timekeeper's booth as proof of the fact that he was present and ready to begin the day's work. He received at the booth his metal check, which he carried until quitting time, when he returned it to the booth. On this check was stamped the workman's pay-roll number referred to below. At the booth a record was made in the morning of all checks taken out, and likewise the record was made at night of all checks turned in. Still further, the timekeepers were required to go on the work itself, once in the morning and once in the afternoon, and check each man individually, in order to be sure that the man was at work. The method of checking was by number, the workmen being required to wear in a conspicuous place a large identification badge, which we furnished him when he was employed, which badge bore a number which corresponded with his number on the pay roll, and which was known as his pay-roll number. The timekeeper, in checking a gang, would simply pass among them and check off on his report sheet the numbers as he saw them, it being unnecessary for him to secure the name or occupation of the workman, for this information was on file in the office under the workman's pay-roll number. Still further, as noted above, the timekeeper was required to check up with the foreman the time of the man working under the direction of the foreman referred to.

As noted above, the workman's time was turned in each night for posting to the pay roll by each division timekeeper, and likewise, the deductions for the commissary charges were turned in to the pay roll each night for posting to the pay roll. The only exception to this rule was in the case of discharges, the method of handling which is given herewith; in spite of the fact that we were paying the workmen once each week, on Saturday, for all time made during the week ending Wednesday night, nevertheless there was a great number of cases where the employees wanted their wages with greater frequency, and the only method by which they could obtain them was to willfully secure a discharge. In the great mass of men employed it was quite possible, and not improbable, that these men would immediately secure reemployment. At first we had considerable trouble because of the fact that irresponsible foremen were not taking precautions to eliminate, as far as possible, extraordinary turnover of labor, and still further, they were causing confusion by issuing formal discharge slips whereby the workmen could secure his time in full before properly checked by his authorized timekeeper. We therefore found it necessary to establish a rule that all discharged men should pass through the formality of having their discharge slips signed by the general foreman of the division in which he was working. This gave us the opportunity of posting on the slip the time earned by the workman for the current day, which had not, up until that time, been posted on the pay roll, and still further, of indicating on the discharge slip whether or not there was a charge for commissary which week! not be reported for posting on the pay roll until the close of the day's work.

In general, therefore, the workman's time was reported each night by the authorized timekeeper to the main pay roll office, where it was posted on the pay roll immediately. Workmen were paid the total amount appearing on the pay roll, less the deductions reported, as noted above. Discharged employees received the total time appearing on the pay roll to date, less deductions appearing to date, plus current time for the day of discharge which appeared on their discharge slips, less deductions for commissary tickets issued on the current day, which also appeared on the discharge slips.

As mentioned above, the field timekeeping work was divided into divisions which followed the same general divisions as the construction work proper. The pay-roll work was centralized in one main office where, in addition to the



pay rolls, there were files covering information concerning each individual workman, such as his name, age, address, etc. We also maintained an alphabetical file where a card record was kept of every workman, so that he could be located in the event that his identification number was not known.

There were two classes of employment at this camp which did not fall under any one physical division of the work, viz: Trucks and teams, or in general, transportation. The timekeeping for the teams was organized along the same general lines as in the other cases. There was a team-time booth located so that all the teams in going to work in the morning passed it, and likewise in coming off of the work at night they again passed it. At this booth the timekeeper checked the team in and out, there being a sign hung on the harness of the team to identify it, this sign bearing the pay-roll number of the team. The teams were checked once in the morning and once in the afternoon while at their work, it being possible for the timekeeper to simply pass them and catch the number which hung on the harness. This same condition was true as regards the trucks, with the exception that the identification number was not used, but instead a tag similar to a license tag was hung on the truck bearing the notation "O Q M No. —." The truck appeared on the pay roll under this number and with its description, such as "Republic 5 ton." The trucks were checked in the field in the morning and again in the afternoon, the timekeeper taking the number of the truck for his record. They were checked on in the morning and off in the evening through a central time booth, as in the other cases. In addition to this official time record of the trucks and of the drivers as referred to below, the transportation office required each driver to hand in a time card showing the time for the current day for truck and driver. These time cards were used in making up the transportation office reports and were also used by the timekeepers in checking their time reports.

The drivers of the trucks were required to wear an identification badge and to check in and out each day, as all other employees were required to do. The time of the drivers was handled identically the same as other employees, they receiving the same allowance for overtime. There was no allowance, however, for overtime for trucks, the truck being hired for 24 hours per day at a rate based on the valuation.

The working hours during the construction of this camp were 10—from 7 a. m. until 12 noon, and from 1 p. m. until 6 p. m. Overtime in excess of these hours was not resorted to except in emergency, when the executive head of the department in which overtime occurred would issue instructions permitting the overtime and notify the timekeeper to this effect. Generally speaking, practically the only overtime that occurred was in the transportation department, where emergency required it, and it was covered here by orders from the head of the department, copies of which orders were sent to the timekeeper covering the trucks. As noted above, there was no allowance for overtime for trucks. Chauffeurs, however, received overtime when earned, in the same proportion as was paid other employees. There was so little overtime in excess of the 10 hours, however, that it was the exception rather than the rule. This system of keeping time, pay rolls, commissary deductions and allied records was the standard for construction work, except that the enormous number of men employed and the large amount of ground covered made it impossible to introduce certain accepted checks and balances which are commonly resorted to in industries where the activities are confined within a relatively small area. Furthermore, the terrible congestion which occurred on the one main highway from the town to the camp in the morning when the men, trucks, teams, etc., were coming to work, and in the evening when the same were going from work, made it imperative that our timekeeping system lead to the diversion of as many employees from the main road as was possible, in order to relieve the congestion. Still further, the work was organized and progressed so rapidly that time could not be taken to educate timekeepers in intricate and cumbersome systems, but on the other hand our system had to be as simple and as elastic as possible.

I personally am of the opinion that the work covering time keeping, pay rolls, deductions, etc., was handled by the field auditor's staff, assisted by our men where possible, as efficiently, cheaply, and honestly as was possible on a project of this extent and of such short relative duration.

The organization chart which I have referred to above, I desire to introduce in evidence and have marked "Exhibit J. H. G. No. 2."

This, I understand, is for the use of the committee and can not very well be incorporated in the record.

I also desire to offer in evidence the A. Bentley & Sons Co. organization chart. I understand also that this can not conveniently be printed in the record, and I therefore offer it for the use of the committee.

I also desire to offer in evidence Exhibit J. H. G. No. 4, the organization chart of the A. Bentley & Sons Co., business organization. I understand that this can not be conveniently incorporated in the record, but I respectfully submit it for the use of the committee.

I also desire to offer in evidence Exhibit J. H. G. No. 5, which is the organization chart of the A. Bentley & Sons Co. at Camp Sherman. This I understand can not be conveniently incorporated in the record, but it is submitted for the use of the committee.

I also desire to offer in evidence Exhibit J. H. G. No. 6, which is another organization chart of the A. Bentley & Sons Co., at Camp Sherman. This, like the preceding charts, I understand can not conveniently be printed, but I offer it for the use of the committee.

I also desire to offer five organization charts of the A. Bentley & Sons Co., of Camp Sherman, Chillicothe, which can not conveniently be incorporated in the record, but which I desire to submit for the use of the committee. These charts are marked Exhibit J. H. G. No. 7.

I also desire to offer in evidence several affidavits which I desire to have printed in the record.

The first is the affidavit of Charles W. Rothe, and this affidavit has to relate with the work of construction and is in part in answer to the testimony that has been brought out in the past hearings.

(The affidavit above referred to is here printed in the record in full, as follows:)

STATE OF OHIO,  
Ross County, ss:

Charles W. Rothe, being first duly sworn, deposes and says that he is a resident of the city of Chillicothe, Ohio; that some time in July, 1917, he was employed by the A. Bentley & Sons Co. as one of the foremen in the transportation department in the construction of Camp Sherman.

That he continued in this employment until December, 1917; that his duties were to look after the teams and the distribution of lumber, and that in the performance of these duties he was from time to time in the various sections of the camp and able to observe the conduct of the men employed.

When the work was first started, there were no roads and the camp was being constructed in fields where there had been growing crops, so that in wet weather it was necessary to carry partial loads in order to get them over the ground.

This affiant always found that the men were working, and that there was no work being done in a wasteful or extravagant manner, and never at any time did he see any indication that the Bentley Co. was ever doing anything to increase the cost of the work needlessly.

Further, this affiant always thought that the management of the camp was most efficient, and that there was good supervision in every department that came under his observation. He never noticed any good materials being buried and would say, from his experience at the camp, that the Bentley Co. was doing its work diligently and honestly, and that the organization and supervision were especially adequate considering the magnitude of the undertaking.

CHARLES W. ROTHE

Sworn to and subscribed before me this eighth day of January, 1920.

[SEAL.]

Notary Public, Ross County, Ohio.

STATE OF OHIO, *Ross County*, ss:

Charles W. Rothe, being first duly sworn, makes the following supplementary statement:

That his instructions from his superior in the Bentley organization while he was acting as stated in his previous affidavit were to discharge any employees under him who were not working in the proper manner, and this affiant further says that whenever he found any men under him not working as they should, that he always discharged them at once.

The affiant further states that he was foreman over approximately 50 men during the time that he acted as foreman.

CHAS. W. ROTHE.

Sworn to and subscribed before me this 8th day of January, 1920.

[SEAL.]

Notary Public.

I also desire to offer in evidence the sworn affidavit of F. R. Siberell, president of the Ross County Supply Co., Chillicothe, Ohio.

I desire this to be marked Exhibit J. H. G. No. 9.

(The affidavit above referred to by the witness is here printed in the record in full, as follows:)

STATE OF OHIO, *Ross County*, ss:

S. R. Siberell, being first duly sworn, deposes and says that he is the president of the Ross County Supply Co., which has been in business in the city of Chillicothe for some years.

That during the construction period of this camp he had occasion to carry on business dealings with various persons engaged in work at the camp, and the Ross County Supply Co. would have its employees and trucks at the camp frequently.

This affiant says that never at any time did he hear that the Bentley Co. was wasteful or extravagant in its methods or that the supervision was not adequate. The business dealings of his company were always conducted in such a manner as would indicate the integrity and good business ability of the Bentley Co.

This affiant further says that he had a team to work on the camp and found that the Bentley Co. had a very accurate record of the work that was done, and would pay no money for the work until they were fully satisfied that the labor was performed and the money was being paid to the proper person.

This affiant further feels that it was the general impression among the citizens of Chillicothe that the Bentley Co. had a wonderful organization and completed its work in a remarkably short space of time.

S. R. SIBERELL, *President*.

Sworn to and subscribed before me this 8th day of January, 1920.

[SEAL.]

Notary Public, *Ross County*.

I also want to offer in evidence the affidavit of Edward Siegfried, of Chillicothe, Ohio, which I desire to have marked Exhibit J. H. G. No. 10.

(The affidavit above referred to by the witness is here printed in full in the record as follows:)

STATE OF OHIO, *Ross County*, ss:

Edward Siegfried, being duly sworn, deposes and says that he is a member of the firm of Siegfried & Capretta, produce merchants in the city of Chillicothe, Ohio.

That during the year 1917, when the Bentley Co. was constructing Camp Sherman, this said firm had repeated business transactions in the sale of its produce to the Bentley organization for the employees of said company, the said company at that time being compelled to provide eating houses for its employees. In all its transactions with the Bentley Co. this company always

found that very accurate records were kept, and that no bills were paid unless the Bentley Co. was fully satisfied that the bills were correct. That in the judgment of this affiant the Bentley Co. had a most complete organization and kept accurate records of all transactions.

This affiant further says that it was the general impression among the business men of Chillicothe that the Bentley Co. was performing its contract in the construction of Camp Sherman in a splendid manner, that the work was done efficiently, and that there was no more waste than would naturally arise in an undertaking of this character. That the members of the organization were men of intelligence, integrity, and good business ability.

This affiant has had occasion repeatedly to be through the camp during the construction period, and never saw any good material being burned or any looting on the part of the employees other than might naturally be the case in any work.

EDWARD SIEGHEIMER

Sworn to and subscribed before me this 8th day of January, 1920.

(SEAL.)

Notary Public in and for Ross County.

I also desire to offer in evidence affidavits and statements filed by the A. Bentley & Sons Co., Toledo, Ohio, which are numbered, respectively, Exhibits J. H. G. 11-A to 11-Y, inclusive. This exhibit consists of a number of affidavits and statements concerning the work and business conducted by A. Bentley & Sons Co., at Chillicothe during the construction of the camp, and they are entered in contradiction of, as we think, some of the testimony heretofore offered in this hearing. These affidavits and statements are filed by the A. Bentley & Sons Co.

(The above referred to Exhibits J. H. G. 11-A to Y are here printed in the record in full, as follows:)

STATE OF OHIO, *Ross County*, ss:

Robert B. Mutchler, being first duly sworn, deposes and says that he is a resident of Chillicothe, Ohio, and is cashier of the Savings Bank Co. of said city.

That during the construction of Camp Sherman he was treasurer of the Knights of Columbus Building Committee which had charge of the contracts for all Knights of Columbus buildings in the camp. That prior to the letting of the contract for the Knights of Columbus buildings, he made an investigation as to the manner in which the Bentley Co. was doing its work, the price paid for labor and material. He also took up the matter with local contractors in order to determine whether or not the buildings could be constructed to better advantage by any other contractors. Upon investigation he found that: considering the time in which it was necessary to complete these buildings, it was impossible to secure any other contractors to consider the proposition. That the Bentley Co. had a complete organization and were prepared to complete the work in accordance with the plans outlined by the committee.

During the construction period, this affiant was a frequent visitor at the camp, and always found the work progressing in a satisfactory manner. There was no more waste than might be expected in a contract of such magnitude. New employees were being constantly placed on the job, and it was only natural that some were not as efficient as they should be. These, however, were replaced by others as soon as possible. This affiant had occasion to examine the system of books and records of the Bentley Co., and found them remarkably well kept and complete in every detail. The organization seemed to have a most accurate account of the labor and material used in each building, and were always able to account for the cost of any item of expense.

ROBERT B. MUTCHLER

Sworn to and subscribed before me this 27th day of December, 1919.

(SEAL.)

RAY W. ZNIEGER

Notary Public in and for Ross County, Ohio.

THE CHILLICOTHE WAR COUNCIL,  
Chillicothe, Ohio, December 26, 1919.

*To whom it may concern:*

During the construction period of the cantonment at Camp Sherman adjacent to Chillicothe, Ohio, my official connection with the Chillicothe War Council and as president of the Ross County National Bank, through which bank part of the banking business of the A. Bentley & Sons Co. was transacted, brought me into close contact with this corporation which had the contract for the building of the camp.

From my own personal contact with the men of the Bentley organization, I would say they were broad-minded men of ability and integrity. All of the bank's financial dealings with the company were satisfactory, their records were extremely well kept, and considering the magnitude of the undertaking, all details were handled in a most creditable manner.

From my own inspection of the work at the camp, and I would drive through frequently, it seemed that the work progressed rapidly and systematically, and in a manner that should have been awarded commendation rather than criticism.

When the work was just started, the soldiers began coming in and it was absolutely essential that proper housing be arranged for them. There was a universal demand for haste, and the Bentley Co. seemed to exert every effort to comply with this demand and secure the best available labor and complete the camp in the earliest possible time.

Respectfully submitted.

C. W. STORY.

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ROSS COUNTY NATIONAL BANK,  
Chillicothe, Ohio, January 3, 1920.

*To whom it may concern:*

The undersigned states that he is cashier of the Ross County National Bank and that during the construction of Camp Sherman he was brought into contact with the organization of the A. Bentley & Sons Co. of Toledo, Ohio. That he always found the officials of this company men of good business ability and integrity. That all of their transactions with the bank were satisfactory and he never heard questioned any of their business dealings.

In fact it seemed to be the general impression among the business men and men acquainted with the manner in which the work was being carried on, that the Bentley Co. had a most efficient organization and were completing the camp speedily and satisfactorily.

The undersigned never at any time heard from any reputable source that there was any graft going on, or that the work was being conducted in a wasteful and grossly extravagant manner.

CHARLES C. JACK.

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CHILLICOTHE, OHIO,  
December 30, 1919.

*To whom it may concern:*

We have noticed in the newspapers some statements concerning alleged extravagance and waste at Camp Sherman and in view of the fact that we had occasion, personally, to view the work as it was going on, in fairness to the A. Bentley & Sons Co. would submit the following:

It was our understanding that it was necessary to finish the cantonment within a very short period of time and that practically all of the lumber for the building was furnished by the Government itself through headquarters at New Orleans. By reason of this fact the lumber would get in rather irregularly and at certain times there would be no cars in at all and it was necessary for the company to make the best arrangements they could to secure material to keep the workmen busy for the reason that, if the men were laid off, they were all strangers in the locality and would leave, and it would be impossible to keep sufficient help. It was at these times that they would make purchases of lumber from local dealers and at these times we have furnished such lumber as was necessary at the usual prices.

We always found they were straightforward in their dealings and kept very accurate records. We further had occasion to be at the camp while the work

was progressing and, considering the manner in which it was necessary to procure labor, found the work always going on in a satisfactory manner. There would naturally be certain inefficient employees but it seemed to us that they were discharged as rapidly as possible.

So far as wastage was concerned, we must say that we feel that the proportion of wastage was very small considering the size of the undertaking and the class of labor it was necessary to employ in order to complete the camp in time for the soldiers who were coming in during the construction period.

In view of all these facts we do not hesitate to say that the A. Bentley & Sons Co. did remarkably well and should be congratulated on the manner and the period of time in which the work was completed.

Respectfully,

C. A. HERTENSTEIN LUMBER Co.  
Per C. A. HERTENSTEIN.

STATE OF OHIO, *Ross County*, ss:

R. W. Mettler, being first duly cautioned and sworn, deposes and says that he is a resident of Chillicothe, Ohio.

Affiant further says that during the construction period of Camp Sherman he was employed by the United States Government as timekeeper in said camp, that he occupied this position from the month of June, 1918, until the month of October, 1918. Affiant says that his position as Government timekeeper necessitated his being in all sections of the camp; that his duties were keeping the time of the teams working in the camp, which teams during part of the time he was employed as timekeeper numbered more than 500.

Affiant further says that he was at the gravel pit in Camp Sherman, and at no time did he see more than 30 men working in the gravel pit.

Affiant says that he was in all sections of Camp Sherman on numerous occasions during construction of said camp and on no occasion did he see any men with teams or trucks loading; that all men seemed to be working, and that in his judgment there was no waste other than what would ordinarily arise in an undertaking of its size and kind, and that he saw no evidence whatever of any reckless waste or extravagance.

R. W. METTLER.

Sworn to and subscribed before me, a notary public in and for Ross County, this 26th day of December, 1919 A. D.

[SEAL.]

W. M. McKENNER -  
Notary Public, Ross County, Ohio.

STATE OF OHIO, *Ross County*, ss:

*To whom it may concern:*

August Goedert, being first duly cautioned and sworn, deposes and says that he is a resident of Chillicothe, Ohio.

Affiant further says that he is a carpenter and saw dresser by trade, and that during the construction of Camp Sherman he was employed for about three months by the A. Bentley & Sons Co. as a saw dresser. Affiant says that his duties as a saw dresser necessitated his being in different sections of said camp, and that during the time that he was employed by the said Bentley Co. he saw nothing which in his judgment could be called extravagance or waste, other than the usual amount of waste which always grows out of an enterprise of that kind.

AUGUST GOEDERT.

Sworn to and subscribed before me, a notary public, this 29th day of December, 1919.

[SEAL.]

W. M. McKENNER.  
Notary Public, Ross County, Ohio.

STATEMENT OF HARRY H. BELL AS TO HIS SERVICE AT CAMP SHERMAN, AND PARTICULARLY IN REFERENCE TO MINING AND TRANSPORTATION OF CONCRETE MATERIALS.

I went to Camp Sherman on August 2, 1917, was given a position and was to work on August 6, 1917.

I was employed for work as a general foreman on concrete and brick construction.

Having had 22 years' experience in those trades as a mechanic and contractor in and about Cincinnati, Ohio.

My duties were to see that various gangs of concrete workers, distributed pretty well over the camp, were supplied with concrete materials consisting of sand, gravel, and cement.

The sand and gravel were obtained from gravel pits located on camp property, and the mining and transportation of this material was in charge of Mr. Watts.

I had occasion, in the course of my duties, to visit these pits at least once per day, and I did so visit them in the period of six or eight weeks beginning August 6 and ending on or about October 1, 1917, and was very familiar with the methods of mining and distributing gravel and sand throughout the camp.

The newspaper accounts of the testimony of Mr. Watts before the congressional investigation committee in Columbus, recently, reported him to have said that Mr. Hollingsworth gave orders to him to employ large bodies of laborers in these pits that were not needed.

I will say in answer to that, that Mr. Watts never had to exceed 50 men employed in these pits at any time during the time I was familiar with them, and visited them.

And I will further say that there was never any excess of labor employed in working these pits during the time I mentioned above.

In my business experience as a contractor, extending over 15 years, I have been very familiar with transportation and mining of such materials, as I have frequently undertaken such things to supply myself with them, and have said before, there was no more men employed on that work at any time than was needed there.

HARRY H. BELL.

CHILLICOTHE, OHIO,  
December 29, 1919.

*To whom it may concern:*

As a member of the Chillicothe War Council, I was placed in charge of the growing crops on the site selected for the construction of Camp Sherman during the summer and fall of 1917. It was necessary for me to be on the camp site almost every day during the time of the construction of the camp by the Bentley Co., endeavoring to preserve and sell as much as possible of the crops growing thereon, and I was thus brought in contact with the employees of the Bentley Co. almost daily.

I have seen some of the newspaper reports of the testimony given by some of the former employees of the Bentley Co. before the congressional investigating committee, some of whom I know personally; and from my observations as to the manner in which the work was done and supervised by the Bentley Co., I would say that if there was any waste of material and time, it was due to the indifference of the workmen themselves or to the foremen who had charge of the various gangs, and not to any disposition on the part of the Bentley Co. to delay the work or to increase the amount of materials used.

The men in charge of the work seemed to use good business judgment in the selection of superintendents and foremen. In case any employees did not prove efficient, they were discharged, and the same policy was used in the selection of workmen. Many were discharged for inefficiency, and would naturally be dissatisfied and complain as to the manner in which the work was being done.

I noticed that at different times the supply of materials and labor did not coincide, and on some occasions made inquiry as to why a large number of men would be unloading cars of lumber and at other times why so few were so employed in proportion to the number of loaded cars on the sidings, and found that the receipt of cars was so uncertain that it was impossible to maintain a proper working balance. This was due to the fact that a large percentage of the labor was imported from other cities, and unless the men were given constant employment they would leave for other camps.

So far as I was able to observe, the Bentley Co. handled the contract honestly, ably, and efficiently, and with the least possible waste considering the

magnitude of the undertaking and the very short time which they had to complete the work in order to have the camp in readiness for the soldiers.

W. ALLEN SCOTT.

Sworn to and subscribed before me this 29th day of December, 1919.

[SEAL.]

STATE OF OHIO, *Ross County, ss:*

Earl Barnhart, being first duly sworn, deposes and says that he is a resident of Chillicothe, Ohio. That during the construction of Camp Sherman he was employed as truck chaser by the A. Bentley & Sons Co., from August, 1917, to the last week in September, 1917. That his duty consisted of keeping in touch with all the trucks on the job to deliver orders to them as to where they were to be assigned.

An accurate record was kept at all times of where each truck was working and the probable length of time it would take to complete the particular job assigned to it. At the time set for this work to be completed this affiant would be at the place where said truck was to be, in order to give the driver his next order. In this way the trucks were always kept busy, and the office had a record of where they could be found.

This affiant was continually going over all sections of the camp and always found the men busy and the work going on rapidly. He saw nothing that would indicate any reckless waste of material.

So far as this affiant's work was concerned, he was constantly at work and kept in touch with the trucks at all times, and made his reports to the office.

EARL H. BARNHART.

Sworn to and subscribed before me this 29th day of December, 1919.

[SEAL.]

*Notary Public in and for Ross County, Ohio.*

STATE OF OHIO, *Ross County, ss:*

George Hannm, being first duly sworn, deposes and says that he was first deputy sheriff of Ross County, Ohio, during the years 1915, 1916, 1917, and 1918, under Sheriff Alonzo T. Swepston, now deceased.

That while Camp Sherman was being constructed his duties as deputy sheriff called him to the camp almost every day in the service of process. That he always found the work progressing in a very rapid and efficient manner, and the entire Bentley organization seemed to be doing their utmost to get the camp built without delay. There were many men hired each day, and those who proved unsatisfactory were quickly dismissed. At times men who had been discharged and had been given their slip to get the money due them would loaf about the camp grounds, and this affiant has been called on several occasions not only by the superintendent in charge but also by some of the foremen to take away discharged men who were loafing on camp grounds and attempting to interfere with the work.

The affiant further says that when he went out to the camp to look up persons at work there he always found the Bentley Co. had a record of the employees, where they were working, and where they could be found at almost any hour. In view of the great force of men coming and going each day the Bentley organization seemed to have a complete check on all of them and it was really remarkable how quickly they were able to get in touch with any of their employees.

The men always seemed to be busy and the work progressed rapidly, and sections were completed to take care of each detachment of soldiers as they arrived. In fact, it was the general talk among all those who witnessed the construction of the camp that it sprung up almost as if by magic.

There was at no time during the construction of the camp any evidence of any real waste or destruction of material, and none was ever called to the affiant's attention although his official duties brought him in contact with most of the camp authorities but with various public officials, the citizens of Chillicothe, and many of the visitors.

GEORGE HANM

Sworn to and subscribed before me this 29th day of December, 1919.

[SEAL.]

CHAS. W. RUTLER.

*Notary Public in and for Ross County, Ohio.*



## STATEMENT OF W. H. HOLMES.

Q. Were you employed at Camp Sherman?—A. Yes.

Q. In what capacity?—A. I was material man under Mr. McCloud.

Q. In what part of the camp were you located?—A. In the hospital section.

Q. What was the nature of your work?—A. My work was to supply the materials for the construction of the different buildings in the hospital section. I distributed the lumber from the lumber yard. I ordered from there what I wanted.

Q. How did you distribute this lumber?—A. By wagons principally, and also by tram trains.

Q. Was it customary to load the wagons up to capacity so far as possible?—A. Yes; so far as possible; but we had some difficulty in getting the team drivers to load to capacity.

Q. Do you remember having seen any great waste of lumber; that is, lumber being destroyed around the buildings?—A. No; not around our section. I was very particular to watch waste. I told the carpenter foreman to work his waste up, and when he did not do this I reported him to Mr. Sullivan.

Q. Did Mr. Sullivan reprimand them for waste and did he talk to them about preventing waste?—A. Yes; and when there was a report came in he got after the workmen about it, and he was told positively that he must work the waste up or suffer the consequences.

Q. Do you remember very much unused lumber being hauled away from the hospital?—A. No; in no great quantities. There was some, but not a great amount.

Q. That which was hauled away, do you know where it went?—A. It was taken into another part of the camp.

Q. What was done with it there?—A. I do not know. Suppose it was hauled there to help them out.

Q. Did you ever see anything of the pile of unused lumber called the scrap pile?—A. Yes, I have seen it.

Q. Did you ever see what was done with it?—A. No; I can not say that I know what was done with it. I myself went there at different times and obtained lumber for use in the work that I could not get from the supply.

Q. Did you ever see these lumber piles burned?—A. No, sir.

Q. From your observation do you consider that there was any great waste of lumber?—A. No; I made it a special point to work up everything that was usable. I transferred lumber from one building to another to work it up.

Q. Do you remember having seen any signs of general loafing among the men?—A. The carpenters and laborers were driven with as much speed as possible.

Q. Did you ever hear of any instructions having been issued by the Bentley Co., or its superintendents, encouraging loafing?—A. No; I never did.

Q. Do you remember of any effort having been made to prevent loafing and to keep the men working as much as possible?—A. I fired a foreman one time because I heard him say, "We have plenty of time to do this. Don't be in a hurry."

Q. In the section in which you worked, did you consider that too many men were employed on the buildings?—A. No; not in that section.

Q. Do you consider then that the men employed in your section were all worked to the best advantage?—A. Yes; and when we found that our work was catching up, and we had an overplus of men, we laid off the gang.

Q. Were you around the rest of the camp to any extent?—A. Not to any great extent, because my work kept me confined to the hospital section. I spent some time in section H before I went to the hospital group.

Q. Did you see any signs of loafing or waste around there?—A. I did not.

Q. Do you consider from what you observed that the camp was built economically?—A. As far as I know.

## STATEMENT OF B. G. LENSKE.

Q. Were you employed at Camp Sherman?—A. Yes.

Q. In what capacity?—A. Timekeeper for the Bentley Co. under G. D. Auchter.

Q. In what parts of the camp did your duties call you?—A. Sections G, H, I, J, and N, O, P, Q, R.

Q. Who was general foreman in charge of this section?—A. R. L. Vandermark.

Q. Was the nature of your work such that you had an opportunity for seeing the work that was done and the manner in which it was done?—A. Yes.

Q. Was your work in the time office or in the field?—A. I was in both the office and the field.

Q. Do you remember having seen any signs of general loafing on the part of the workmen.—A. No.

Q. Did you ever hear of anything being said or done to encourage loafing?—A. No.

Q. Did you ever hear of anything having been said or done to encourage speed among the men?—A. Yes. Mr. Vandermark would commence the construction of several barracks at the same time, placing gangs of men on each barracks, and these men would endeavor to complete the work on their building ahead of the others.

Q. How were these gangs encouraged to excel others in the time in which the buildings were erected?—A. Rivalry was stimulated, and the winning gang was looked upon as the banner gang.

Q. Did the same men that were working in these gangs when you went to Camp Sherman continue to the end of the job?—A. No. Men in the gangs were constantly changing. Men would be discharged for lack of ability and others would leave of their own accord.

Q. Do you know, then, that men were discharged?—A. Yes.

Q. By whom were these men discharged?—A. The foremen would report Mr. Vandermark, and Mr. Vandermark would instruct that the men be sent to him. Mr. Vandermark would then either discharge the man, or, if he felt that the man was thoroughly capable and that the foreman had some grievance against him which Mr. Vandermark felt would not deserve dismissal, he would transfer him to another foreman.

Q. Did you ever hear of any instructions having been issued not to discharge men for any cause?—A. No.

Q. Were there any men discharged for incompetency?—A. As high as from 2 to 50 men were discharged in a day.

Q. Do you remember having observed any signs of great waste of material?—A. No unusual waste.

Q. Did you ever hear of men having been paid for time that they did not earn?—A. No.

Q. Do you think it would have been possible for men to have been given credit for time that they did not work?—A. I do not.

Q. Did you ever see the men paid off on pay days?—A. Yes.

Q. Did you at any such time ever hear any men claim that they had received pay in excess of that which they had earned?—A. Never did.

Q. Did you ever hear any rumors of any men claiming that they had received pay in excess of that which they had earned?—A. Never heard any rumors.

Q. Did you ever hear any rumors of timekeepers having conspired with workmen and foremen to defraud the Government by making false showing and representations in the matter of time earned and to be received?—A. I never did.

Q. Did you ever know a man by the name of Johnson, who was a Government timekeeper?—A. No.

#### STATEMENT OF L. G. CLEARY.

Q. Were you employed at Camp Sherman?—A. Yes, sir.

Q. When did you enter such employment, and for how long?—A. July 22, 1917, until October 15 of the same year.

Q. In what capacity?—A. Government timekeeper.

Q. What were your duties?—A. Keeping time of the laborers and drivers on trucks.

Q. In what portion of the camp did your duties call you?—A. All over.

Q. Can you recall the names of any of the team foremen or contractors to whom teams were hired?—A. Carl Watts and Van Camp & Sloane.

Q. Do you recall about how many teams Carl Watts was furnishing?—A. I would say somewhere around 7 or 10 that I know of.

Q. Did the number of teams that he had working vary from day to day?—A. Only when horses were sick, or something like that.

Q. How many teams were furnished by Van Camp & Sloane?—A. About 20.

Q. Did you at any time know of teams being kept on the pay rolls when there was no employment for them?—A. No, sir.

Q. What were your instructions in respect to the checking of these teams?—  
A. Twice a day checking.

Q. Then teams not on active duty would not be checked as having been at work?—A. No, sir.

Q. This applied to all teams under your jurisdiction?—A. Yes, sir.

Q. Did you at any time notice or hear of teams being carried on the pay rolls that were not actively employed?—A. No, sir.

Q. Do you recall the location of a large gravel pit at the south end of the camp near the race track?—A. Yes, sir.

Q. Did any of the teams on which you were keeping check work from this gravel pit?—A. Yes, sir.

Q. Do you recall whose teams were working there?—A. Some belonging to Watts and some belonging to private owners?

Q. Did you at any time notice teams or men in this pit seemingly without employment?—A. No, sir.

Q. Would it have been possible to hide out men or teams in this gravel pit for the purpose of keeping them on the pay roll, no work being performed by them, without your knowledge?—A. Not over an hour at a time.

Q. Did you at any time have called to your attention, or do you remember of having heard of any concerted effort being made to kill time in the manner above referred to?—A. No, sir.

Q. Were teams plentiful?—A. Seemed to be plenty for the work on hand.

Q. On your trips to different parts of the camp would you be likely to notice any undue waste of materials, such as lumber, roofing material, etc.?—A. Yes, sir.

Q. Did you at any time note such a condition?—A. No more so than with any other contractor with a contract so large.

Q. Were there teams set aside whose particular work it was to transfer surplus materials from buildings which might have been overstocked temporarily to others under construction?—A. Yes, sir.

Q. About how many teams were thus employed?—A. In so far as I can say, about 20.

Q. Was it their duty to gather up all surplus material and move it to other parts of the camp where it could be used, or stored where it would not be damaged?—A. Yes, sir.

Q. Did you at any time observe idle men at any place in the camp that would lead one to believe that more men were being employed than was necessary?—A. Yes, sir. In one or two instances.

Q. What were these instances to which you refer?—A. There were truck laborers who left the trucks and slept in the brush. At that time there were about four or five laborers on each truck.

Q. How long did this condition last?—A. Two or three days.

Q. How was it that this condition escaped the notice of the checkers?—A. The laborers would get on the trucks and work until it was time for the checkers to check them in the morning wherever they happened to be; then they would leave the trucks and hide out until about 2 o'clock in the afternoon, when the checker was due again; then they would get on the trucks and work until quitting time.

Q. What measures were taken to stop this when it was found out?—A. The men were discharged and the superintendent of transportation ordered that only one laborer was to be used on each truck.

Q. Do you remember who was furnishing these trucks to which you refer?—A. The United States Government furnished the trucks and they were driven by civilians in the employ of the Bentley Co.

Q. Is this the only instance you remember of a concerted effort being made on the part of the men to hide out and receive pay for time which they were not entitled to?—A. Yes, sir.

Q. Do you recall any means or instructions from the management tending to expedite the work in general?—A. My instructions were to keep a sharp lookout for men loafing, and when found such men were to be sent for their final time at once, and that such time was to be only from the last time they were checked.

Q. Was the time checked by both the contractor's timekeepers and the Government checkers?—A. It was in the case of the trucks and teams; that is, as far as I know.

Q. Do you remember of any differences between the contractor's checkers and the Government checkers?—A. Only in one or two minor instances, when Mr. Whiting, of the Bentley Co., and I did not agree on the truck checking.

Q. What were those instances?—A. They were in the case of those men who had been hiding out.

Q. Under your general impression of the work, would you say that in your opinion the work was being carried out in a manner that showed care on the part of the contractor in the expenditure of material and an effort to expedite the work in every way possible?—A. Yes, sir.

Q. Were you ever employed on work of this character before?—A. Yes, sir.

Q. What has been your experience with reference to other work of this nature?—A. Considering the emergency under which this work was being done, it seemed to be fully as economically and expeditiously conducted as other work of like nature.

Q. Do you personally know Carl Watts?—A. Yes, sir.

Q. Did the contractor at any time have any difficulty with him that you know of?—A. No, sir.

Q. Do you recall that he at any time questioned his pay settlements?—A. Not that I recall.

Q. How long was he in the employ of the Bentley Co.?—A. Practically the time that I was there.

Q. Did you know Capt. Dabney and Capt. Rhoades the constructing quartermaster and engineer in charge of the work for the Government?—A. I knew them when I saw them, but was not personally acquainted with them.

Q. Did you see them frequently going around the job on inspection trips?—A. I saw them every day on the job.

#### STATEMENT OF CHARLES F. VANCE.

Q. Were you employed at Camp Sherman?—A. Yes.

Q. What was your position there?—A. I went there as assistant engineer in the consulting engineers' department under Mr. Pratt, consulting engineer for the Government; was placed in charge of road construction, together with E. Towles, loaned from the Bureau of Agriculture.

Q. Were you in the employ of the Bentley Co.?—A. No.

Q. Were your duties such that you were around the camp very much during the work?—A. My duties took me all over the camp. Our gravel pits were first located along the canal, then down at the river, and I had to go back and forth constantly between the pits and roads under construction, and frequently had occasion to consult with the Bentley organization about securing material that were needed from time to time when they were able to cooperate and furnish.

Q. About how often did you visit the gravel pits?—A. Several times a day, was mounted and was able to cover a great deal of territory.

Q. Who built the roads, the Bentley Co. or other contractors?—A. The roads built by the Bentley Co. were some temporary roads for use in hauling construction material.

Q. Did you ever have occasion to visit the gravel pit down near the river road?—A. Very frequently during the construction of the roads in that part of the camp.

Q. Did you ever observe any large number of teams or men there who were loafing?—A. No; none other than at times teams would arrive in bunches and congestion would occur in the gravel pits under these conditions.

Q. If there had been any great amount of loafing there; that is, if the pits had been purposely used as a hiding place for men and teams, you would have known it?—A. I certainly would have observed it, and heard of it.

Q. Did you ever hear of any general loafing of teams or men there or elsewhere?—A. No.

Q. In your opinion, was the work of men and teams at this point well organized, or was it run in a haphazard manner?—A. It was exceptionally well organized. There were mounted men to see that teams were kept moving between the gravel pits and their destination. At one time these were provided by a detachment of Engineers at that time stationed at the camp.

Q. In your opinion, were there too many teams employed on this work at the camp?—A. On the contrary, we had difficulty in securing the teams needed.

Q. Do you mean that more teams could have been used to advantage if they were employed there?—A. At many times we were short of teams.

Q. Did you ever observe any signs of general loafing among the workmen engaged on the construction of buildings, railroads, sewers, or other work that was done by the Bentley Co.?—A. No; I can not say that I did, although it is quite evident that at times there were men temporarily idle.

Q. Do you remember having seen men idle, or is it your opinion that it might have been the case?—A. There was no idleness sufficient to attract attention or lead one to believe that it was done generally.

Q. Did you ever hear of any men being encouraged by a representative of the contractor to loaf?—A. I never did. On the contrary, there was evidence on every hand of attempts of the contractor using every endeavor to expedite and push the work to the limit.

Q. Had you ever had any experience in construction work previous to your work at Camp Sherman?—A. Practically all my life since leaving school in 1893 has been devoted to construction work and public works of all kinds.

Q. Do you consider that too many were employed on this work? Did you ever see any evidence of so many men being engaged on any building or piece of work that they could not work to advantage?—A. I would say that the different operations were kept particularly well in hand. There was no undue loss of time due to too many men being engaged at one point.

Q. Did you ever see indications of abnormal waste of materials?—A. No.

Q. Did you ever see lumber or roofing material lying around on the ground and being destroyed?—A. No; not to any considerable quantity.

Q. Did you ever see the sorting piles to which this lumber was hauled from the buildings?—A. Yes.

Q. Did you ever notice what was being done with the lumber in such piles?—A. Such lumber as could be made use of was carefully sorted and laid aside for future use. The refuse was hauled to scrap piles.

Q. Were your duties such that you came in contact very much with the constructing quartermaster and his staff?—A. Quite frequently.

Q. From what you observed were they exercising proper supervision over the work; that is, did they know what was going on, and were they around about the camp where the work was being done?—A. Capt. Dabney was seen frequently on general inspection trips throughout the job, while Capt. Rhoades was almost constantly engaged in closely supervising the work in all the different operations under way.

Q. In your road work did you come in contact with Capt. Rhoades?—A. I did.

Q. Was he closely in touch with what you were doing, so that he knew at all times what was being done?—A. He was.

Q. In your opinion could this camp have been constructed by a number of different contractors, say, each one building 25 buildings, and the utilities let in the same manner?—A. Such an arrangement would undoubtedly lead to great confusion and consequently increased cost. This condition was particularly noticeable on the road work, as three different contractors were involved in this work, and their interests frequently conflicted and made trouble.

Q. From your observations would you say that the materials used in the erection of the buildings and utilities were suitable for the purposes or were they cheap and unfit for use?—A. The materials used in the building were of the kind mostly used for such construction work, and fully equal to that used on private work of the same nature.

Q. Taken as a whole do you consider that the camp was built at as low a cost as would have been possible in any other way considering conditions existing at that time?—A. Yes.

I also desire to offer a brief statement and analysis of the construction of Camp Sherman by Henry E. Riggs, professor of civil engineering at the University of Michigan. The exhibits, of course, are attached to this statement, and these exhibits naturally can not become a part of the record. Mr. Riggs was employed by the A. Bentley & Sons Co. after this investigation commenced for the purpose of analyzing and giving his findings as to the results obtained by the A. Bentley & Sons Co. in the construction of the camp, bearing especially on the cost of the camp units, and otherwise, and comparing them with the construction of similar work in normal conditions, showing the difference in cost of material between normal times and

the time this work was done, which the committee will find very instructive and useful in examining the proposition under investigation. This statement is not sworn to.

(The exhibit referred to by the witness is here printed in full in the record, as follows:)

ANN ARBOR, MICH., *January 9, 1924.*

The writer has, at the request of the A. Bentley & Sons., reviewed the records and reports made to the company during the period of construction at Camp Sherman, Chillicothe, Ohio, and subsequent thereto, with a view to briefly setting forth the extent and character of the work involved in the construction of this cantonment, and the cost of the various major items of construction.

The mass of data, records, and accounts submitted made anything like a detailed check impossible short of many weeks time.

The work done at Camp Sherman by A. Bentley & Sons Co. included the construction of 1,528 separate permanent buildings, aggregating 65,219,522 cubic feet; the building of waterworks, pumping stations, and reservoirs with over 14½ miles of mains and 232 hydrants; the building of a sewer system of over 24 miles of mains and laterals with a complete sewage-disposal plant; the construction of 14 miles of drainage ditches for the disposal of storm water; the construction of a complete system of electric lighting with 2,000 poles, about 100 miles of wire, and 200 street lights; building 3½ miles of standard-gauge railroad, in addition to narrow-gauge railroad and construction roads; and the complete heating, wiring, and screening of all buildings and equipping laundry and other facilities.

It must be remembered that this contract covered not alone wooden buildings but all the facilities for housing and providing utilities for a population of over 38,000. This work involved the transportation, feeding, policing, and sanitary care for 11,000 men employed on the work at one time. It was not done under normal conditions. Work was begun on June 25, permanent buildings were commenced on July 6, and on October 6, there were 1,240 buildings completed. Not counting lost time or Sundays, there were 90 calendar days of 10 hours each, or 900 hours working time, or an average of 42 minutes per building, not to mention the other work just referred to. The first draft of material arrived in this camp on September 5, and found the buildings completed and ready, and at no time were soldiers obliged to sleep in unfinished buildings.

The attempt has been made to separate the costs of the various general overhead construction costs and the costs of the utilities, so as to set up the most brief summary form, the main divisions of the expense of the work.

This summary is supplemented by more complete schedules and illustrated by a few of the many photographs of the work.

In arriving at a cost per cubic foot of buildings, the following method has been used:

The Bentley Co. pay roll records were investigated for a number of weeks which appeared to be typical, and not maximum, and the office and engineering overheads of the various departments were obtained. The cost of the permanent utilities has been isolated by obtaining the quantities of materials used and prices paid, when such were available, and applying the same labor charges as would occur in ordinary contract work at the same prevailing wages. It therefore, follows that the costs of these utilities are based partly on quantities and prices obtainable from records, and partly on appraisal. In all cases where the appraisal was necessary, a conservative and low price was used to avoid any possibility of overestimating. After deducting from the total cost all items not applying to buildings, a total building cost for buildings constructed by the A. Bentley & Sons Co. at Camp Sherman, which includes the temporary buildings, has been obtained.

It is well to note that lumber and carpenter labor were used on many things other than buildings; for instance, form work, scaffolding, trench cribbing, fences, and bridges.

It has been charged that there was much waste. A signed statement (Exhibit 22) accompanying this report records 6 per cent, which would be equivalent of 8½ inches off of the end of every 12 foot board. This percentage is not excessive on construction such as this. Quantities of material which might appear to be waste to a casual observer, were, in reality, carried to sawmills where the longer material was used in small buildings and houses, the shorter material used as cross bridging, etc., and the unusable material remained in a waste pile to be used later by the troops as fuel. Last

quantities of crating, packing, etc., which represented a fire hazard were burned. (See Exhibit 91.)

The Government analysis of expenditures at Camp Sherman from July 1 to December 31, 1917 (see Exhibit 18), gives detail as to large quantities of equipment, and the cost thereof as well as the costs of 16.8 miles of permanent concrete and gravel roads which was done by contractors other than the A. Bentley & Sons' Co. For this reason this report concerns only the portion of the work for which the A. Bentley & Sons Co. is responsible. Exhibit 18A shows the amount of money which, according to the Government figures, could be directly charged to buildings. This exhibit points out misleading conclusions to be drawn from the report (Exhibit 18) as all labor on utilities is included as part of building costs. This utility labor item can not be isolated from the Government figures and for that reason the method of analysis used in this report has seemed necessary.

The attempt here made is to place before you in the fewest possible words the essential facts concerning the contract and to separate out the actual cost, or as nearly as the writer can estimate, the reasonable cost, of each item.

Respectfully submitted.

HENRY E. RIGGS,

*Professor of Civil Engineering, University of Michigan.*

To the CHAIRMAN SUBCOMMITTEE No. 2,

*General Committee on War Expenditures.*

#### CONDENSED SUMMARY.

Total payment by Government to A. Bentley & Sons Co.----- \$8,568,161.18

#### DEDUCTIONS (CONSTRUCTION OTHER THAN BUILDINGS).

Schedule A: General management and office expense-----	\$186,438.51
Schedule B: Engineering and supervision-----	275,600.00
Schedule C: Safety and comfort, fire and police, sanitary department, transportation of labor----	351,738.25
Schedule D: Transportation of materials-----	380,190.69
Schedule E: Cantonment utilities costs other than buildings-----	2,054,113.74
Schedule F: Remodeling, alterations, etc-----	252,416.00

Total of schedules A to F, inclusive----- 3,500,497.19

Balance, being direct cost to contractors of buildings----- 5,067,663.99

Total cubic contents of buildings, 65,218,523 cubic feet.

Net cost of buildings only, per cubic foot, 7.77 cents.

#### GENERAL SUMMARY.

In the following summary the source of the information used is shown by the following notations: Items <sup>1</sup> taken from Government reports; Items <sup>2</sup> taken from contractors' records on file; Items <sup>3</sup> taken from appraisal of work done by disinterested engineers. These are conservative in every particular and are based on actual quantities of materials used in the item, with the same material and labor charge applied as it actually costs to do similar work under normal conditions and efficient supervision.

#### A. GENERAL MANAGEMENT AND OFFICE EXPENSE.

1. General superintendent in general charge, 1 employee at \$50 per day, 100 days----- <sup>2</sup>\$5,000.00
2. Auditing department: Payment of all invoices preparing and payment of pay rolls for all labor. Preparing and furnishing detailed reports to Government auditors department, 25 employees, at an average of \$44 per week for 20 weeks-- <sup>2</sup>22,000.00

3. Employment department: Classify applications, hire and assign men as requisitioned, 3 employees, at an average of \$35 per week each, 20 weeks-----	\$2, 100. 00
4. Purchasing department: Checking all Government purchases; making all incidental and local purchases, which was permitted up to 25 per cent of total; complete records and status of shipments, also field men expediting cars in transit, 16 employees, at an average of \$36 per week each, 20 weeks-----	\$11, 320. 00
5. Traffic department: Keeping track of all cars and materials in transit, 8 employees, at a weekly average of \$46.20 each-----	\$7, 390. 00
6. General office, equipment and supplies: Stationery, etc-----	\$6, 800. 00
7. Advertising-----	\$1, 613. 80
8, 9. Premiums, bonds, and premiums, insurance: Taken from Bentley (Exhibit 1)-----	\$120, 897. 70
10. Telegraph and telephone-----	\$9, 107. 00

Total general management and office expense-----	186, 430. 50
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## B. ENGINEERING AND SUPERVISION.

11. Field engineers' department: Laying all work out in detail, field inspection, and progress report, 6 employees, at a weekly average of \$50, 20 weeks-----	\$6, 000. 00
12. Office engineers' department: Receiving and filing of Government plans, preparing detailed plans, blue printing, schedules, and material lists, 8 employees, at a weekly average of \$60, 20 weeks-----	\$9, 600. 00
13. Contractors' fees: A. Bentley & Sons Co. (Exhibit 5)-----	\$250, 000. 00
14. Consulting engineer's fees and expenses, including his force of an average of 4 men-----	\$10, 000. 00

Total engineering and supervision-----	275, 600. 00
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## C. SAFETY AND COMFORT.

Costs of administration, not part of the direct cost of buildings of utilities, but necessarily incurred in handling work of magnitude.

15a. Fire and police department: The maintenance of complete fire apparatus, also the removal of waste building material and rubbish around buildings, and disposal of same (see statement), also such policing as was not attended to by Army authorities. Included below.	
15b. Sanitary department: Cleaning up of debris other than building materials, inspection of kitchens, handling of injured and sick workmen; running emergency hospital for accident cases; running a medical hospital for sick workmen—	
Total cost of 15a and 15b was, 250 men, at \$28 per week for 20 weeks-----	\$140, 000. 00
10 teams, at \$57.50 per week for 20 weeks-----	\$11, 500. 00
Fire apparatus-----	\$32, 000. 00
15c. Commissary department: Handling, feeding, and lodging of men on the work, including purchase of supplies, miscellaneous materials-----	\$142, 160. 00
15d. Transportation of labor (Exhibit 1)-----	\$25, 340. 00
Total, items C-----	351, 000. 00

## D. ITEMS CHARGEABLE TO BOTH THE BUILDING COSTS AND TO CANTONMENT UTILITIES COSTS.

16. Transportation of materials: Unloading, teaming, trucking, and delivery of materials (Exhibit 14)-----	\$300, 100. 00
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**E. ITEMS WHICH SHOULD BE CHARGED TO CANTONMENT UTILITIES  
COST OTHER THAN BUILDINGS.**

18. Sewer and waterworks department: Construction of both these utilities complete (included below).	
19. Drainage and railroad construction department: Construction of all other ditches, canal work, and railroads (Exhibit 15), as well as all temporary roads and three bridges. (No permanent gravel or concrete-gravel or concrete roads were built by the A. Bentley & Sons Co., but they furnished cement to the other contractors for the permanent roads.) (Exhibit 15.) Items 18 and 19.	\$405, 146. 00
20. Electrical department: Electrical equipment, aggregating approximately 175 miles of copper wire, 2,500 poles, 200 transformers, 200 street lights, insulators, etc., all in place (Exhibit 17)	\$ 112, 928. 00
21. Miscellaneous equipment items: Not otherwise classified; locomotives and work cars, automobiles, concrete mixers, woodworking machinery, etc., as listed, accompany schedule (Exhibit 23)	\$ 132, 204. 74
22. Heating and plumbing, stoves and furnaces: Consisting of eight 100-horsepower return tubular boilers set in brick, with individual steel stacks and equipment, boiler feed pumps, feed-water heaters, etc., approximately 40 miles of steam piping, over 100 individual heating plants, boilers, piping, and radiators; 1,300 stoves, 2,500 toilet installations; miscellaneous plumbing, shower baths, sinks; entire cost of heating, plumbing, stoves, and furnaces.	\$ 1, 278, 835. 00
23. Clearing right of way of the entire camp.	\$ 25, 000. 00
24. Maintenance and general repairs: This account includes repairs incident to occupation by troops for 60 days before Army took charge of this work; maintenance of broken plumbing fixtures, window lights, doors, electrical wires torn, and equipment damaged.	\$ 100, 000. 00
Total, item E.	2, 054, 113. 74

**F. REMODELING, ALTERATIONS, EXTRAS, AND MISCELLANEOUS.**

25. Items on Exhibit 7: This includes construction of suction-well building, transformer platform, photograph tower, trestles, and temporary 20,000-gallon steel water tanks; 80 tent floors, remodeling Phillip farmhouse, stables, and various other houses; boarding up all buildings from ground to sills; installing fire ladders on all two-story buildings; mess tables built in all mess halls; drain boards in all kitchens; additional supports for stoves on second floors; roofs over water tank; building platform for unloading troops; placing shelving in warehouses; screening all barracks; glassing in all long porches at hospitals; remodeling barracks U-12 for headquarters mess; wainscoting all hospital porches and corridors and all lavatories; building two brick fire walls, 12 inches thick by 30 feet high by 102 feet long; changing partitions in bakery; putting extra rail on all remount fences; making sundry other minor additions and changes.	\$ 252, 416. 00
Total, items A to F.	3, 500, 497. 19

I think, gentlemen of the committee, that is all I desire to offer this morning, except if the committee, after examining all I have offered on behalf of the A. Bentley & Sons Co., if your committee desires to cross-examine any of the witnesses whose statements I have offered, or anyone connected with the A. Bentley & Sons Co. which it may be able to control, it will be very glad to respond to any request

of the committee to have any of them come here at any date that the committee may indicate.

Of course, I realize the fact that that is a matter which the committee can not now determine, and in conclusion I want to say on behalf of the A. Bentley & Sons Co. that their attitude in regard to this matter is to aid the committee in getting at the facts concerning the matters under investigation, so far as it is concerned; and that we want to be helpful in bringing to the attention and to the use of the committee anything that is within our control.

Mr. McKENZIE. Representing the A. Bentley & Sons Co., you have presented here to be included in the record all facts that you wish to present at this time on behalf of the construction company?

Mr. GOEKE. Yes, sir.

Mr. McKENZIE. And if the committee desires to call any of these witnesses for the purpose of cross-examination, they are ready to come and comply with the request of the committee, as I understand it!

Mr. GOEKE. Yes, Mr. Chairman.

Mr. McKENZIE. But so far as the company is concerned and the committee, the company has had its opportunity, has taken advantage of it, and what you have presented this morning is the result of the work in filing an answer to the testimony which has been taken heretofore.

Mr. GOEKE. Mr. Chairman, with this exception. We have been unable to complete the report of Mr. Riggs, the civil engineer, concerning his data on the commissary department of Camp Sherman; but we will mail same to the chairman of the committee, sometime this week; and, further, we would like the opportunity before the end of the week and before the record closes to file a brief statement in answer to the testimony that has been given in connection with the building of Camp Johnson at Jacksonville. That testimony did not come to our notice until the last few days, and of course we were unable to have it here this morning. That will be only a brief statement.

Mr. McKENZIE. I want to say as chairman of the committee: you have permission to file any statement in connection with this matter, and we will see that it is printed in connection with the other testimony.

Mr. McKENZIE. I want to ask you, Mr. Goeke, if you are familiar with the handwriting of Mr. James Bentley?

Mr. GOEKE. Yes, sir; I think I am.

Mr. McKENZIE. I will ask you if you recognize that [handwritten paper to witness] as Mr. Bentley's signature. It is a small matter.

Mr. GOEKE. Well, it is written in lead pencil, and I am not able to state positively whether that is Mr. Bentley's signature. I think there is some resemblance, but I could not state myself, but I will tell you what I will do, if you desire, I will have Mr. Bentley come here and answer for himself.

Mr. McKENZIE. It is not important enough. I think that is all.

(The paper above referred to by the chairman is here printed in the record in full, as follows):

*Hudson agent:*

Please give Lt. Vaughn what he needs for the car he is driving to me.

JAMES BENTLEY

Mr. McKENZIE. Mr. Doremus, do you wish to ask the witness any questions?

Mr. DOREMUS. No, sir.

Mr. GOEKE. I think, Mr. Chairman, that covers everything, and I wish to thank the committee for having given me this hearing.

SUPPLEMENTARY STATEMENT CONCERNING COMMISSARY DEPARTMENT AT CAMP SHERMAN BY JAMES BENTLEY, ON BEHALF OF THE A. BENTLEY & SONS CO.

*To the Select Committee on Expenditures in the War Department:*

By leave of the committee we beg to file the following supplementary statement concerning commissary department at Camp Sherman.

*Operation of commissary.*—Part 28 of serial 3 of the printed testimony before subcommittee No. 2 has just come into our hands, and we note the report of W. R. Reese on the subject of the operation of the commissary.

We note that he claims the compensation paid to the American Commissary Co., St. Louis, should be borne by us notwithstanding the approval of this subcontract by the contracting officer, and he bases his conclusion upon a recital in our contract with the Government to the effect that we have an organization and are fully equipped and have had previous experience in similar work, and on a recital in the contract with the American Commissary Co. to the effect that we are not equipped and are not able to operate the commissary.

If reference is made to the information given by us to the War Department on questionnaires prior to June, 1917, it will be seen that we never had and never claimed to have a commissary organization or equipment sufficient for this work. Indeed we do not believe that there is a contractor in the United States with such an organization, and the common practice in the building trade is to employ commissary companies.

The report of W. R. Reese also claims that we should be charged in some way with the loss of \$0.2161 per meal on 657,843 meals served and sold at 30 cents each, and he bases this on the claim that it was the intention of our contract with the Government to operate the commissary without loss or profit, and he asserts that we did not look after the Government's best interest in the matter, and we should explain why so great a loss was incurred and our authority for creating the loss and what steps, if any, were taken to reduce the cost or loss.

The city of Chillicothe at the time this camp was built had a population of not more than 15,000 people and could house but a small percentage of the army of workmen which flowed into the town at the average rate of 500 a day for the first 30 days. It was necessary for us to build bunk houses and commissaries to take care of these men, and we were obliged to take the best of care of the men in order to retain their services.

We not only had to house and feed these men, but we had to look after their health and welfare, and to that end we had nurses and doctors, hospital facilities, and every possible arrangement for the welfare of the men.

The wisdom of this policy is shown, we believe, by the fact that there were but two deaths from disease in the two camps we built, Sherman and Johnston, and one of those deaths occurred shortly after the man came on the work, and it was determined that his disease was well developed before he came to us.

Our hospital records show that about 1 per cent of the men daily employed were given some kind of medical treatment by the hospital attendants.

Taking both camps together, there were about 2,500 personal injuries of a minor nature; only one man was killed, and he was on his way home, outside of the camp, and was killed by jumping off a truck while in motion and being run over by it.

There were approximately 6,000 cases of men suffering from minor and temporary illnesses which were brought to the attention of the hospital authorities.

The operation of the commissary and of the health, hospital, and welfare departments must be considered as an incident of the expense of employment, as it goes without saying that the men could not stay at the camp if these facilities were inadequate or improperly conducted and, in addition, the failure to properly conduct these facilities would immediately result in giving the camp a bad name among workmen and keep men from applying for the work.

The total pay roll for the whole of the work was \$8,318,161.18, so that the total pay roll including the commissary loss of \$142,165.71 was \$8,560,326.89. The commissary loss was only 1½ per cent of the total pay roll.

The object of running the commissary was to get men and keep them, and the cost must be regarded as a part of the labor cost of the work.

It may be possible for others to figure the cost of meals closer than \$0.216, but with all the care we are able to give to the matter that is as close as we could come.

Mr. Reese inquired what, if any, steps were taken to reduce the operating cost or loss on the commissary. The field auditor kept daily costs on the operations of the commissary, which he assembled in weekly totals and submitted to the contractor and the construction quartermaster for consideration. The subject was given attention and consideration weekly, and every effort was made to keep down the cost without impairing the quality or quantity of food. The costs of food were constantly rising. The commissary losses on the commissary costs were known to the construction quartermaster, and decided, after advising with us, that it would be cheaper and better to incur a loss on the commissary and keep up the quality of food rather than to increase the cost of the meals and thereby be compelled to increase the wages at the camp.

Mr. Reese states that it appears that this loss began at the opening of the commissary, but we know it will be found from an examination of the commissary accounts that the loss increased as the work progressed, due to rising costs of food and due to increased pressure on the commissary department, but as we have said, the subject was frequently discussed and it was decided after full consideration that it was cheaper for the Government to sustain a moderate loss on the meals served to the men than to raise wages. The attached copy of letter of R. L. Ruth, who was in charge of the commissary department on this work, will throw some light upon the causes of the loss of meals served.

Mr. Reese also questions a voucher for \$9,801.52 representing an item of \$1,960.12 and an item of \$7,841.40.

The item of \$1,960.12 covers payments made to workmen for deductions for improper charges and made against them on previous pay rolls for meal tickets which they had not obtained. For illustration: A workman would make a claim for shortage in his pay and an investigation would be made and it would be ascertained that he had been charged for a book of meal tickets. Further investigation would show that he had not obtained the meal tickets. He would therefore paid the balance due on his earnings which was equivalent to the amount of the deductions. The meal tickets which had been improperly charged to him were then charged against the proper party on the pay roll for the succeeding week. The item of \$1,960.12 on this voucher, therefore, is not a part of the cost of operating the commissary, but is a labor item and should be added to the cost of the general labor on the camp. No connection exists between the cost of the commissary other than that the necessity for this reimbursement was brought about by an error made in attempting to collect for commissary meal tickets.

The item of \$7,841.40 covers deductions from reimbursements made to workmen on account of "red" items shown on the pay roll. This came about in this manner. When meal tickets were issued to workmen a receipt was taken for them, which also was an order authorizing the deduction of the value of the tickets from the workmen's pay. These receipts and orders were assembled and listed daily and these lists with the receipts and orders themselves were turned over to the field auditor for the Government to be by him entered on the pay rolls and deducted from the earnings of the workmen. The pay rolls were kept and compiled by the field auditor for the Government and sent by the contractor, as Mr. Reese states.

In some instances it was found, when completing the pay roll, that the earnings of the workmen were not sufficient to pay for the value of the tickets received by them. The amount of the difference between the value of the tickets and the earnings of the workmen was carried out in the "Net pay" column on the pay roll in red ink and was thereafter styled a "red item." For illustration: On the pay roll for the week ending September 4, 1917, workman No. 10759, Harry Yager, worked five hours and earned therefor \$1.50. He had obtained a meal ticket, the value of which was \$3.30, resulting in owing the Government \$1.80 at the time that he left, and this was characterized as a "red item." Although he had earned \$1.50, he was paid no money and there was consequently no direct charge made against the cost of the camp for

amount of the money he had earned. If the entire number of meal tickets obtained by him were used there resulted a net loss of \$1.80 to the Government on account of this money, but it can not be assumed that he did eat the number of meals at the camp that the number of meal tickets would permit him to eat, as he only worked five hours and probably left the camp as soon as employment was ended. The only way then that the meals could have been consumed on these meal tickets was by the unused tickets being handed to other parties, but it can not be assumed that this was done. Therefore, so far as can be definitely seen the Government received services of one-half day, the value of which was \$1.50, for which it did not pay. The workman probably consumed at the greatest three meals during that day, the value of which was 90 cents, leaving a net saving to the Government of 60 cents.

In other instances workmen were discharged and paid off before the commissary meal ticket charge had been entered on the pay rolls. This was due to delays in entering these charges on the pay rolls after they were received by the field auditor's pay roll department and not to the contractor, as the lists of meal tickets issued and receipts of the workmen for them were delivered to the pay roll department each evening for the day's issues.

When the field auditor for the Government reimbursed us for pay rolls this reimbursement was based upon receipts of the workmen which were obtained by him. He deducted from the reimbursement to us the amount of these "red items" shown on the pay rolls, we thus receiving reimbursement for a less amount than we had expended. As the "red items" resulted through no fault of ours the withholding from us of the proper reimbursement for expenditures was unjust, and upon the matter having been later thoroughly analyzed and audited we were paid the amount of \$7,841.40 covering these "red items," thereby completing the reimbursement to us for our expenditures.

As the contract for the operation of the commissary will show, it was operated by the commissary company for a fee of 5 per cent. The cost of operation was paid by us, and we received the amounts paid by the men for meals. When the commissary was closed the account showed the loss of \$142,165.71, so that the item of \$7,841.40, being the amount of meal tickets issued but not paid for, does not necessarily represent a loss of that amount, as by far the greater part of the meal tickets represented by this \$7,841.40 were never presented or used, and it is fair to say that the amount of these meal tickets actually used was offset by wages earned by the users of the tickets, which wages were held and not paid to the ticket user.

In further comment on the item of \$17,405.56, being the 5 per cent fee paid to the American Commissary Co., we may say that in our opinion this item was paid for specially satisfactory service, that is to say, service that was satisfactory to us and the construction quartermaster and satisfactory to the men employed on the work. In addition to that the problem of keeping down the commissary costs was very acute because of the constantly rising costs of food, and we gained some protection from these rising costs and saved considerable loss that would otherwise have fallen upon us because of contracts between American Commissary Co. and commission houses and others whereby the commissary company was enabled to buy supplies on contracts in existence before the camp was started. We can not definitely state the saving thus accomplished, but it was substantial.

In our experience as contractors we have found that neither we nor any contractor is equipped to organize a commissary economically or with satisfaction to the men. It is a separate and distinct line of business, more like the operation of a hotel than the construction of buildings. It requires knowledge and experience in the purchasing and handling and care of food and in satisfying the wants of the workmen but can not be satisfactorily performed by anyone who has not had a long training in that business.

We have tried ourselves to operate a commissary without success and found that our loss was excessive and the dissatisfaction among our men was very great, and in all cases in which we required a commissary we have found it necessary and best to employ some concern, such as the American Commissary Co., the Ideal Commissary Co., or others, to do the work. When the commissary on a job is not satisfactory to the men the dissatisfaction is immediately reflected in the work done and in the number of workmen we are able to obtain and retain. The commissary problem is one that is not to be trifled with.

In the operation of a commissary or in the operation of a Baltimore, Childs, or dairy lunch it is necessary to figure with the greatest accuracy. The portions to be served must be figured just as closely as it is possible to figure, and

a slight deviation will result in dissatisfaction of the men on the one hand and a loss on the other.

On a statement prepared by S. G. Rusk, field auditor for the Government as of December 4, 1917, the net loss per meal, including bunk-house expenses, is shown as \$0.2139, but that the net loss per meal with the cost of operating the bunk houses excluded, is only \$0.1618. It is our judgment that the loss of 2 cents a meal on 657,843 meals is about as close as anybody can figure.

We have had no opportunity to compare the operations of our commissary with the operations of commissaries on other camps, but the information is all available in the War Department.

We are informed that the loss per meal at Camp Sherman was well within the average of the loss at other camps and that our costs compare very favorably with the costs at other camps.

JAMES BENTLEY.

*On behalf of the A. Bentley & Sons Co.*

TOLEDO, OHIO, January 15, 1920.

STATE OF OHIO,

*Lucas County, ss:*

James Bentley, being first duly sworn, says that he is the vice president of the A. Bentley & Sons Co.; that he has read the foregoing supplementary statement and knows the contents thereof, and that the same are true according to the best of his knowledge and belief.

[SEAL.]

JAMES BENTLEY

Sworn to before me and subscribed in my presence this 15th day of January 1920.

ALONZO C. RICHLEY.

*Notary Public, Lucas County, Ohio.*

STATEMENT OF JAMES BENTLEY, ON BEHALF OF THE A. BENTLEY & SONS CO., CONCERNING THE CONSTRUCTION OF CAMP JOHNSTON.

*To the Select Committee on Expenditures in the War Department:*

Our attention has been called to the testimony recently given to Subcommittee No. 2 of your committee by Capt. Robert M. Bramlitt as to our work at Camp Johnson.

We have been notified that any answer thereto must be filed with your committee not later than Saturday morning, January 17, and, because of the limited space of time, it will be impossible for us to go into detail as we should like to do in answering each and every charge and imputation made by you.

Under the circumstances, we must of necessity refer your committee to our statement concerning Camp Sherman, as what was there said concerning our operations applies with equal truth to Camp Johnston.

We desire, however, to say, with all the force and emphasis at our command, that we had but one purpose at Camp Johnson as at Camp Sherman, and that was to construct the camp as expeditiously and economically as possible, and we indignantly deny that in either camp or in any of our work in, about or concerning them, were we guilty of any graft, thieving, padding, bribery or any other improper conduct whatsoever.

*Contractor's compensation.*—The question of the contractor's compensation under the form of contract entered into for this camp, it containing the same provisions as the one for Camp Sherman, has already been discussed fully by us in our statement as to Camp Sherman, to which we respectfully refer your committee. For Camp Johnston, as for Camp Sherman, our compensation was on a sliding and diminishing scale in proportion to the amount of work done and was subject to the same deductions for extra expenses borne by us. We received only the compensation named in the contract.

Further, James Bentley went to Washington when the work at Camp Johnston was nearing completion and tendered the use of his organization for a further work at the camp free of any charge or compensation at all.

*Unnecessary overhead expenses.*—Capt. Bramlitt charges that we maintained a large and unnecessary force in the office and field at Camp Johnston where there was little, if anything, for them to do.

He, however, admits that this was done under instructions of Maj. Whelan, the constructing quartermaster.

The facts were these:

In the first place, we did not hold this force at the camp during the spring and up to the early summer of 1918, but on the contrary, began reducing it about February 1, and continued to do so, so far as we were permitted by the constructing quartermaster thereafter.

Secondly, very early in 1918, Maj. Wheeler took up the matter of reducing our staff with the War Department and received orders from the War Department that the contractor was to hold its force together in anticipation of further work.

This order was never afterwards countermanded, but, as we have said before, we reduced the expense so far as we were permitted and found work for our men elsewhere, and not at the Government's expense at Camp Johnston.

*Compensation of Mr. Hollingsworth.*—We have shown in our statement on Camp Sherman who and what manner of man Mr. Hollingsworth actually was, and what we had to pay him in order to obtain his services at all.

The facts were that we paid an even greater proportion of his salary at Camp Johnston than we did at Camp Sherman, but we had not time to assemble the exact figures before filing this statement.

And while on this subject, let us say that no excessive salaries were paid to anyone.

*Boarding officers free.*—Another charge sought to be implied was that the contractor furnished free board at its commissary to the officers at the camp.

Our accounts have been audited and reaudited, and it is sufficient to say that nothing of the sort was done. Every officer was charged for every meal he took at the contractor's commissary, and we at all times insisted upon this and rigidly enforced the rule and required and demanded payment.

In a very few instances we have learned that this rule was broken, and we have willingly assumed the cost of the meals where this happened, amounting in all to \$20 or less. There was no thought of bribery in this.

*Hudson car used by Maj. Wheeler.*—Under orders from Maj. Wheeler himself, we purchased a Hudson car for his use and charged the cost where it belonged, to the Government. He designated the make of car himself, and we simply obeyed his instructions. So far as we know, he had full and ample authority to give this order, and we neither expected nor received any favors because of it.

*The matter of two saddles.*—Capts. Kimball and Springman, while on the staff of the constructing quartermaster, requested us to buy two saddles for them, to use in riding upon inspection duties over the camp. We did so, and charged their cost to the Government. When they left the camp they took the saddles with them. Capt. Springman soon afterwards died, and when it was discovered that they had taken the saddles, rather than go to the expense of tracing and recovering them, and incidentally harassing a widow, we agreed to and did reimburse the Government for their cost.

*Waste of nails and cement.*—We deny that we either wasted or neglected cement, nails, or any other material. What we said in our statement on Camp Sherman on this subject applies equally here, and we respectfully refer the committee to that statement.

*Suggestions that we tried to have Capt. Bramlett removed.*—It is hardly conceivable to us that this committee will pay any attention whatever to the absurd and ridiculous statements of Capt. Bramlett in this regard, based, as they were, largely upon toilet-room gossip of stenographers and statements that unknown "prominent" men had told him that trouble was brewing for him.

His testimony bears its own refutation. If we had the extraordinary influence with the Secretary of War that he imagines, we suggest that it would have been comparatively easy, had we so desired, to remove a gentleman of the caliber of Capt. Bramlett, notwithstanding his remarkable abilities and devotion to the cause of this country, as so feelingly testified to by himself.

But in the first place we had no such influence, and in the second place we deny that we ever attempted in any way to procure his removal, though the attached statement from Mr. Hillebrand, secretary and treasurer of our company, showing what kind of a man Capt. Bramlett really was and the peculiar trend of his activities at Camp Johnston would, we sincerely believe, afford abundant justification had we really done so.

But the fact remains, as he said himself, that he continued at this camp long after our work there had been completed and we had left.

The secretary is not related to James Bentley in the slightest degree, by blood or marriage. They have shaken hands twice at formal gatherings, but never even talked together.

*Conclusion.*—As we have said in our statement to this committee concerning Camp Sherman, it is not our province to either criticize, justify, or defend the manner in which the Government saw fit to contract for the building of these camps, and therefore we do not enter into any discussion as to whether it would have been better or worse had the War Department put such men as, for instance, Capt. Bramlett himself in charge of operations rather than ourselves.

We may guess at what the result would have been in that particular instance; we may speculate as to whether the camp itself or the quartermaster's forms would have been the greater in cubic-foot content, but we leave the answer to these conjectures with the utmost confidence to the good sense of your committee.

What we are concerned with, and what we now feel we have full right to demand, is an exoneration from the implications, suggestions, and charges of Capt. Bramlett against us, our good faith, and our honesty.

We did the work required of us. We believe that we may truthfully say, and we do say, that we did it well, speedily, and honestly.

We rest our case in the hands of your committee, not only upon the answer that we have thus made but upon the understanding that we deny every suggestion of improper conduct on our part, even though in the haste of preparing this statement for filing with your committee by Saturday morning of this week we may neglect to answer each, every, and all of the charges made, implied, or to be inferred from the testimony of this or any other witness concerning Camp Johnston.

Toledo, Ohio, January 15, 1920.

Respectfully submitted.

JAMES BENTLEY,

*Vice President the A. Bentley & Sons Co*

STATE OF OHIO, *Lucas County*, ss:

James Bentley, being first duly sworn, says that he is the vice president of the A. Bentley & Sons Co.; that he has read the foregoing statement and the statement annexed hereto, and knows the contents thereof; and that the same are true according to the best of his knowledge and belief.

JAMES BENTLEY

Sworn to before me and subscribed in my presence this 15th day of January, 1920.

[SEAL.]

ALONZO C. REICHLEY,

*Notary Public, Lucas County, Ohio*

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MEMORANDUM WITH REGARD TO CAPT. BRAMLETT, BY LEO S. HILLEBRAND, SECRETARY AND TREASURER OF THE A. BENTLEY & SONS CO.

I first met Capt. Bramlett early in the year of 1918 at Jacksonville. He told me that he had just come from Camp Lewis, at American Lake, Wash.; had several discussions with him which led me to believe that the captain was at least given to exaggeration. He seemed obsessed with the idea that the camp should be built according to the quartermaster's manual. I tried to impress upon him the fact that the camps were being built by civilian employees under a contract with the Government, and I could not see that the manual entered into the transaction whatever. That is, we were working directly under the Construction Division, and if they had any portions of the manual they wished to inject into the routine, that very likely it could and should be done, but to take the manual bodily and attempt to have the civilian employees follow it was out of the question. Capt. Bramlett admitted to me that he was in the service for some twenty-odd years and there were great portions of the manual he was not yet acquainted with himself. I therefore told him at one time that possibly that may have been the reason why the Government was having the camps built under civilian contractors rather than by the Government or Army direct.

At another time, in a discussion I had with him, I referred to the matter of some personal tracers which we had in the South expediting and tracing ign-



ber shipments for Camp Sherman. I explained to him that we had three men whose sole duty it was to hurry the cars through the terminal points and also to hurry the mills to ship the lumber required in the camp. I further explained that one of those men was located at Cincinnati, another at Louisville, and another worked north out of New Orleans, whose duty it was to keep in touch with the Southern Yellow Pine Bureau, getting the information as to just what particular mills lumber for Camp Sherman had been allocated to, and then follow up these mills to hurry shipments in the way of assisting them in getting cars and anything that might be necessary to get the lumber moving. I explained that it might be necessary for these men to go off the main line of the railroad into the logging country possibly 20 or 25 miles to hurry a car to the main line. Capt. Bramlett told me that that was absolutely contrary to the manual, and that before any such expenditure was regular the following procedure would be necessary: This personal expeditor should either write or wire our office at Chillicothe, asking for authority to move from one point to another, and then we in turn would write the constructing quartermaster a letter asking him for authority to have that particular man moved from the points mentioned, and that it would be necessary for the man to wait at whatever point he happened to be until he got notice from us to the effect that the constructing quartermaster had approved his moving from one point to the other. I explained to him that this procedure might take three or four days and that the man would be simply marking time in the meantime and would reduce his efficiency about 90 or 95 per cent. He said he knew it, but nevertheless that was what the manual provided, and that therefore, if he were constructing quartermaster, that is what would have to be done.

At another time he told me that the contractors at Camp Lewis had been settled with in full—to use his own words he said: "They will never hear from Camp Lewis again." I asked him, "Do you mean by that that they have received every cent that will pass through their hands on this account?" And he assured me "Yes." I said to him, "How about the matter of unclaimed wages?" "Well," he said, "the contractor has been paid for these." I called his attention to the fact that reimbursements were only made upon receipts, and if these wages were unclaimed how could payment be made legally to the contractors, when they could not present a receipt. He then told me that the constructing quartermaster had deposited in a bank in the State of Washington an amount equal to the unclaimed wages, and that this bank would pay these unclaimed wages on demand. I asked him, on whose order, and he told me on the contractor's. I then said to him, "Well, the contractors will hear further regarding this camp in the way of having to certify to these unclaimed wages." And he said "Yes." He thought maybe his first statement was incorrect. I then asked him how the constructing quartermaster hoped to clear his accounts of the deposit of a check for such purposes as the payment of unclaimed wages with the bank, and he told me he did not know.

While at Jacksonville I met an Army officer who told me that he had some experience with Capt. Bramlett, and that he had succeeded in making himself very obnoxious at Camp Lewis, at which point also this Army officer had been stationed, because of the fact that he seemed to have an affliction of telling things other than the truth.

At the time we closed our commissary at Camp Johnston we had an inventory of food products that totaled nearly \$10,000 in value, as I recall. Bramlett was looking after the checking in of this material, and complained to me very bitterly at the large amount of food products we had on hand for feeding our men. He said to me "That's more than the camp quartermaster carried for the feeding of troops, and that he, the camp quartermaster, carried a three-months' supply of everything." This statement did not appear correct to me, and later on, thinking it over, I arrived at the following conclusions: I understood that according to the Manual the Army allowed 42 cents per day for food per man; in other words, this simply covered the rations. There was then in the camp approximately 25,000 men, and at 42 cents a day, which I presume must be somewhere near correct, would be about \$10,500 per day. It therefore appeared to me that the captain must have made another wildly exaggerated statement.

About two or three weeks before we were actually relieved under our contract at Camp Johnston, the Construction Division issued a revised Field Auditor's Manual, which carried with it suggestion as to forms to be used. Most of these were identical with what we had in use at the camp at the time—all our forms at least carrying all of the information that the new ones called for,

and in some instances, such as discharge slips, showed blank spaces for time dating back two weeks, where the Government form only showed one, but other than that was identical with the Government form, other than it was either three-eighths of an inch larger or three-eighths of an inch smaller in width. Capt. Bramlett advised me that it would be necessary to have some of these printed, and use the new forms, even though we only had, as I explained to him, two or three weeks to run before the work would be closed down, and that during the entire construction period of the camp we had used that particular form. He said that he knew we had, but that regardless of that fact it would be necessary for us to change. I had been in and out of the Construction Division offices in Washington enough to know that the officials in that division would not countenance such a thing, and I therefore frankly told Capt. Bramlett we would not make the change, as I could not see the point of wasting the stock of forms we had on hand at that time and having others printed for just two or three weeks' construction.

Capt. Bramlett complained to me at one time that his burden was being very hard for him, especially by the Government Field auditor's office, and I frankly told him that I thought he was largely responsible for it on account of the "bull in the china shop" attitude he assumed, and that some of the statements he made would not bear very close investigation, and that I thought he had lost the confidence of the field auditor and his staff. These were honest convictions at that time, and still are.

#### **STATEMENT OF MR. J. P. O'CONNOR, 822 SEWARD STREET, EVANSTON, ILL.—Resumed.**

**Mr. McKENZIE.** Mr. Doremus, you may cross-examine the witness.

**Mr. DOREMUS.** Mr. Chairman, before I take up the examination of Mr. O'Connor I want to make a request that the committee ask the Inspector General of the Army for the recent report on the truck used at Camp Sherman and prepared by Col. Shaw. It is not necessary to have that report to-day, but if we can get it before we conclude it will be very satisfactory.

I desire to ask you, Mr. O'Connor, some questions with regard to the estimate which you prepared for the construction of Camp Grant and which was the subject of your testimony at Rockford, Ill., taken before subcommittee No. 2 on November 12, 1919. I have read the testimony which you gave upon that occasion, Mr. O'Connor, and I understand it aright, you estimate the cost of constructing Camp Grant at \$8,819,544. Is that correct?

**Mr. O'CONNOR.** I think those are the figures, Congressman. Whatever figures are given there [indicating].

**Mr. DOREMUS.** I think that is correct.

**Mr. O'CONNOR.** What was the figure?

**Mr. DOREMUS.** \$8,819,544.

**Mr. O'CONNOR.** That is correct; yes, sir.

**Mr. DOREMUS.** In your testimony did you assume that you could do the work in the period of actual performance under the contract?

**Mr. O'CONNOR.** You mean in the time the buildings were actually constructed?

**Mr. DOREMUS.** Yes, sir.

**Mr. O'CONNOR.** Yes, sir; I did.

**Mr. DOREMUS.** I am informed by the Construction Division that the actual expenditures made at Camp Grant were \$12,851,289.75 exclusive of freight. I assume from your estimate that you would have been willing to perform the work at that camp for approximately \$4,000,000 less than was actually expended for that. Is that correct?

Mr. O'CONNOR. Yes, sir.

Mr. MCKENZIE. If you will permit me to interject a question, that would be exclusive of the rifle range and other matters which you did not take into consideration in making your estimate?

Mr. O'CONNOR. I took in only the camp limits.

Mr. DOREMUS. It is my understanding that in your estimate you figured the amount of the material that would go into the buildings, and used the current market price of the materials prevailing at that time; is that right?

Mr. O'CONNOR. Yes, sir; it is.

Mr. DOREMUS. I wish you would state to the committee what percentage of waste, if any, you allowed on lumber?

Mr. O'CONNOR. On framing lumber. 2 by 4, 2 by 6, 2 by 8, and so forth, I allowed no waste; but on sheathing—that is, the tongued and grooved—I allowed no waste; but on anything that was machined I allowed the usual percentage that we deduct—one-fifth in some cases, 20 per cent, and in some cases one-third, such as in flooring; we had it at one-third.

Mr. DOREMUS. On that class of material you allowed a waste of 20 per cent; is that right?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. What was your allowance for waste on nails?

Mr. O'CONNOR. Why, in figuring nails, it has always been my custom to figure about 20 pounds to 1,000 feet of lumber. In this case, in the case of Camp Grant, I figure on 20 pounds for 1,000 feet of lumber, and I estimated those nails at what we were paying for them in Chicago. We bought them for about 4 cents a pound in Chicago. I knew that here, where you bought a great quantity of nails, by the carload in fact, you could reduce that cost very much, but that is what I used in my estimate.

Mr. DOREMUS. Can you inform the committee, Mr. O'Connor, as to the amount of waste that is estimated by building authorities on work of that character? Would your allowance of 20 per cent be in accordance with what is ordinarily allowed by men experienced in the building business?

Mr. O'CONNOR. Yes; I think it is what is ordinarily allowed. Anyway, in my 20 years of business I have used those figures, and generally came out right. Of course, we are not infallible. Sometimes we figure a little less, sometimes a little more.

Mr. DOREMUS. What allowance, if any, would you make for sewer pipe?

Mr. O'CONNOR. That I could not say. All the utilities I got in a lump sum from outside contractors in that line and took the bid as the basis for my figures, as in any of the building contracts that I figure from day to day.

Mr. DOREMUS. And as to the amount you figured for waste, you are unable to state?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Did you make any allowance for waste on wood-stave pipe?

Mr. O'CONNOR. You mean for the sewer?

Mr. DOREMUS. Yes, sir.

Mr. O'CONNOR. No, sir; I did not.

Mr. DOREMUS. In reaching your conclusion, Mr. O'Connor, that you could have constructed this camp for over \$4,000,000 less than was actually expended on it, did you take into consideration any of the material changes which were made, but which were not made at the time you made your estimate?

Mr. O'CONNOR. You mean on hand at Camp Grant?

Mr. DOREMUS. Yes, sir.

Mr. O'CONNOR. No, sir; I did not take that into consideration at all. My figures were made up as though Camp Grant did not exist. They were independent entirely of the existence of the camp.

Mr. DOREMUS. I am advised by the construction division that a very complete inventory of the material and equipment on hand and not erected, made of December 31, 1918, shows \$817,523.49 worth of material and equipment on hand. To which should be added freight to the amount of \$222,129.21, as I understand it, you have no knowledge of that fact.

Mr. O'CONNOR. No.

Mr. DOREMUS. Are you aware that Camp Grant was being enlarged to accommodate 23,614 additional troops, and that the work was shut down very abruptly on the signing of the armistice?

Mr. O'CONNOR. I heard that; yes, sir. That is, I did not know how many troops would be accommodated, but I heard it was shut down at the time of the signing of the armistice.

Mr. DOREMUS. I assume that you are aware that at the time this contract was made for the construction of Camp Grant speed was essential, and that the first contingent of the National Army was to arrive on the 1st of September?

Mr. O'CONNOR. Yes, sir; I remember that.

Mr. DOREMUS. I might add that the date for the arrival of the first contingent was afterwards advanced to September 5. Are you aware of the fact that only 112 days elapsed between the passing of the draft act May 16, 1917, and the date of the arrival of the first contingent at Camp Grant on September 5?

Mr. O'CONNOR. One hundred and twelve days.

Mr. DOREMUS. Yes, sir. Can you advise the committee how many days and between what dates you made your estimates of what the camp, in your opinion, should cost?

Mr. O'CONNOR. That is, how many days it took me to do this work.

Mr. DOREMUS. Yes, sir.

Mr. O'CONNOR. For the purpose of estimating alone I think it took us about 10 days. That was work we spent on it. Of course, we spent a lot of time in Camp Grant with the general plans and checked the buildings. The majority of my time was spent down there. That was to see if the buildings as marked on the plat were built. We checked and marked for every fence and shed and shanty, and I would say that it took us approximately, in estimating alone, about 10 days.

Mr. DOREMUS. You have been in the building business for quite a long time, have you not, Mr. O'Connor?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. In your experience have you ever handled large numbers of men?

Mr. O'CONNOR. I have handled as high as 1,500 men.

Mr. DOREMUS. That would be the maximum number, you think that you have had under you at one time?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Did you ever do any work outside of the city where you had to house and care for the employees?

Mr. O'CONNOR. To a very small extent. The only time that I remember of was at Algonquin, on the Ohio River, of building 18 buildings for the United Charities.

Mr. DOREMUS. Do you recall how many employees you had on that job?

Mr. O'CONNOR. I did not have over 350 men.

Mr. DOREMUS. In your testimony at Rockford you referred to the construction of a building at the southwest corner of Michigan Avenue and Twenty-fifth Street, Chicago. As I understand it, you were the contractor on that building, were you not?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. What type of construction was it?

Mr. O'CONNOR. You see, I had two buildings at Twenty-fifth and Michigan Avenue. I do not remember just which one you referred to. Does it mention any special building in there [indicating]?

Mr. DOREMUS. Southwest corner of Michigan Avenue and Twenty-fifth Street?

Mr. O'CONNOR. That was mill construction. It was at Twenty-fifth Street and Michigan Avenue.

Mr. DOREMUS. What sort of construction did you say it was?

Mr. O'CONNOR. It was mill construction.

Mr. DOREMUS. Some testimony has been adduced by the committee to the effect that one of these barracks had so many men upon it that the roof fell through. In this connection, I will ask you if you had any serious accidents in the construction of the building in Chicago at the corner of Twenty-fifth Street and Michigan Avenue?

Mr. O'CONNOR. Yes, sir; I did. A scaffolding fell down.

Mr. DOREMUS. And how many men were killed in that accident?

Mr. O'CONNOR. One man.

Mr. DOREMUS. You are sure that there was not more than one man killed?

Mr. O'CONNOR. One man was killed outright. I think there was another who died some two or three weeks later.

Mr. DOREMUS. You would not be prepared to testify that two of them did not die afterwards?

Mr. O'CONNOR. That may be right. There was one who died afterwards, but there was one man killed outright. That is, he died about a half hour after the accident occurred.

Mr. DOREMUS. I think the record ought to show at this point that I am not asking this particular question of Mr. O'Connor for the purpose of discrediting him as a builder, but for the purpose of showing that these accidents will happen, and that they are not peculiar to the cost-plus system of building.

Mr. O'CONNOR. And if I might state here, Mr. Congressman, also, that the coroner's jury exonerated the contractor in that case for that accident.

Mr. DOREMUS. I have no doubt of that.

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Can you tell us how much that building cost? Have you any data regarding it?

Mr. O'CONNOR. It was not over \$45,000 or \$50,000.

Mr. DOREMUS. Can you tell us how long it took you to build it?

Mr. O'CONNOR. No; I could not do it; I do not remember the figures.

Mr. DOREMUS. Do you know how many men were killed during the construction of Camp Grant?

Mr. O'CONNOR. No; I do not.

Mr. DOREMUS. I gather from your testimony, Mr. O'Connor, that you class as overhead everything above the grade of foremen; am I right about that?

Mr. O'CONNOR. I put in the general superintendents. Yes; I know that.

Mr. DOREMUS. Well, it would include everyone above the grade of foreman?

Mr. O'CONNOR. I think so.

Mr. DOREMUS. Have you a copy of your estimate before you. Mr. O'Connor?

Mr. O'CONNOR. I think I can find it.

Mr. DOREMUS. I merely wish to ask you a few questions regarding your overhead. First, I ask you if the figure of \$251,841 represents your overhead in that estimate?

Mr. O'CONNOR. Yes; it does.

Mr. DOREMUS. And this [indicating] is made up of the items of \$235,000?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Also of the item of \$15,501?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. And also of the item of \$1,340?

Mr. O'CONNOR. In that little theater building I had the overhead and profit lumped, which run to \$3,254.

Mr. DOREMUS. Now, your testimony shows that in your overhead you charge excess trucks, liability insurance, the cost of timekeepers, bookkeepers, superintendents, and general foremen. Also what was railroad fares and miscellaneous items; is that correct?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. What would you say as to the construction at Camp Grant, as to whether it was simple or otherwise?

Mr. O'CONNOR. Very simple, I should say.

Mr. DOREMUS. Would you consider it a very big job?

Mr. O'CONNOR. In volume; yes. A very large job.

Mr. DOREMUS. Is it what is known in the construction work as an organization job?

Mr. O'CONNOR. It would be.

Mr. DOREMUS. That being true, the success or failure of the project would depend upon the organization of the contractor?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. I assume, that being the case, that you gave the question of organization your particular attention in preparing your estimate?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Will you give the committee an outline of your organization?

Mr. O'CONNOR. In the general organization I figured on 1 superintendent, who would have control of the entire camp, and 4 assistant superintendents. The 1 general superintendent, then 4 super-

intendents, then 8 assistant superintendents, 3 car tracers, 1 head bookkeeper, 2 assistant bookkeepers, 30 clerks, and 30 timekeepers. That was the personnel of the organization.

Mr. DOREMUS. Now, will you give us the rates of compensation that you figured for these men in the organizations?

Mr. O'CONNOR. We figured for the general superintendent a salary of \$500 a month; for the 4 superintendents we figured a salary of \$400 a month; for the 8 assistant superintendents we figured a salary of \$300 a month; for the car tracers we figured a salary of \$250 a month; for the head bookkeeper we figured \$300 a month; for the assistant bookkeepers we figured \$250 a month; for the 30 clerks we figured \$175 a month; and for the 30 timekeepers we figured \$150 a month.

Mr. DOREMUS. In your estimate, did you allow anything for cots?

Mr. O'CONNOR. I did not.

Mr. DOREMUS. Did you allow anything for refrigerators?

Mr. O'CONNOR. No, sir.

Mr. DOREMUS. Did you allow anything for laundry equipment?

Mr. O'CONNOR. No, sir. You mean for the housing of the men?

Mr. DOREMUS. Yes, sir.

Mr. O'CONNOR. No, sir.

Mr. DOREMUS. Did you allow for refrigerator machinery?

Mr. O'CONNOR. No, sir.

Mr. DOREMUS. Did you figure anything for refrigerators and laundry equipment for the troops?

Mr. O'CONNOR. I would have to refer to my figures for that, Mr. Congressman.

Mr. DOREMUS. I am referring to the equipment. I am very anxious to ascertain, Mr. O'Connor, whether you allowed anything for cots, for refrigerators, for laundry equipment, and for refrigerator machinery which were for the men upon the job. The construction people or the men in the camp.

Mr. O'CONNOR. I did not figure on it for the men on the construction job. That I am positive of.

Mr. McKENZIE. I would like to ask Col. Shelby, representing the construction division, if it was a part of the contractor's duty, under the contract for the construction of the cantonments, to furnish machinery and refrigerators and materials connected with it?

Col. SHELBY. He did under the contract; it was part of the total cost of the job.

Mr. McKENZIE. Your contract does not set it out; how do you work that in?

Col. SHELBY. I think the contract will show that.

Mr. DOREMUS. We would like to have just exactly what Mr. O'Connor included in this estimate.

Mr. McKENZIE. If you will pardon me, Mr. Doremus, for loading up of the cost of construction with furniture, and things of that kind, that has no part whatever with the construction.

Mr. DOREMUS. I have not asked him any questions about furniture.

Mr. McKENZIE. If a man puts up a barn house and then does not put in a span of horses, then his estimate will be wrong?

Mr. DOREMUS. We will be prepared to show that all of these various items went to the cost of Camp Sherman and are included in the total sum of \$12,851,289.78.

Mr. O'CONNOR. In Camp Grant?

Mr. DOREMUS. Am I right about this, Col. Shelby?

Col. SHELBY. Yes, sir.

Mr. DOREMUS. Are you able at this time to give us an answer to that question, Mr. O'Connor?

Mr. O'CONNOR. I did not figure any cots; no.

Mr. DOREMUS. You figured no refrigerators?

Mr. O'CONNOR. No.

Mr. DOREMUS. You figured no laundry equipment?

Mr. O'CONNOR. No.

Mr. DOREMUS. You figured on no refrigerator machinery?

Mr. O'CONNOR. No.

Mr. DOREMUS. You figured no fire engines?

Mr. O'CONNOR. Fire engines?

Mr. DOREMUS. Yes.

Mr. O'CONNOR. No.

Mr. DOREMUS. You did not figure on fire extinguishers?

Mr. O'CONNOR. No.

Mr. DOREMUS. You did not figure on fire hose?

Mr. O'CONNOR. No.

Mr. DOREMUS. If these things all went into Camp Grant it would be necessary to pay not only the first cost but also the cost of the labor in distributing and installing these various things; is that correct?

Mr. O'CONNOR. They would have to be placed around, I suppose.

Mr. DOREMUS. And they would have to be unloaded?

Mr. O'CONNOR. Yes.

Mr. DOREMUS. Now, let us start over to the bakery. Did you make an allowance for the special racks on which the bread is placed after it is removed from the ovens?

Mr. O'CONNOR. I will try to find that here, Congressman. It is a little hard from these figures. I have your tables—large tables and small tables—and we have 140 feet of shelving, 140 lineal feet of shelving, and I see aside of it a diagram, which may be the rack which you are referring to. There is a little plan there. The plan indicates a little rack of some sort.

Mr. DOREMUS. In your estimates, I think you allow \$9,500 for the construction of the post bakery?

Mr. O'CONNOR. Yes, sir; \$9,500.

Mr. DOREMUS. In that estimate, did you allow anything for the bakery equipment?

Mr. O'CONNOR. No; nothing.

Mr. DOREMUS. You did not allow anything for the special ovens?

Mr. O'CONNOR. Nothing for the equipment; we had no ovens considered at all.

Mr. DOREMUS. That class of construction, Mr. O'Connor, would be regarded as inflammable in its nature, would it not?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Bearing in mind that it was essential to have the camp ready for the receipt of troops, how much did you allow for fire protection?

Mr. O'CONNOR. I estimated it in my own mind that perhaps the fire protection would cost \$10,000.

Mr. DOREMUS. And that was included in your estimate?



Mr. O'CONNOR. Of course, we had use of the permanent fire stations built.

Mr. DOREMUS. Are you quite sure that \$10,000 would have been ample for all the fire protection necessary at Camp Grant?

Mr. O'CONNOR. Here was my basis of figuring, that I think, Congressman, when you work that out, you will understand. After the first three months the troops would be on the site, and after then the Government would have the permanent fire protection apparatus ready. After that time I presumed they would use that for the protection of the entire camp.

Mr. DOREMUS. But suppose the camp would burn down before the 1st of September?

Mr. O'CONNOR. In the first three months?

Mr. DOREMUS. Yes, sir.

Mr. O'CONNOR. That is where my first \$10,000 came in, during the first 90 days.

Mr. DOREMUS. In your fire-protection scheme, did you contemplate fire stations?

Mr. O'CONNOR. Not temporary fire stations; one of the first buildings that I had figured on putting up had been a permanent fire station, and utilizing that for temporary protection for the first three months.

Mr. DOREMUS. That would be included in your \$10,000 estimate?

Mr. O'CONNOR. No; that would be a permanent building, built under the contract.

Mr. DOREMUS. Then that was not included in your estimate?

Mr. O'CONNOR. Yes.

Mr. DOREMUS. What did you allow for that?

Mr. O'CONNOR. Whatever I figure here for the fire station.

Mr. DOREMUS. Can you turn to that and give us the figures?

Mr. O'CONNOR. Two fire stations, 31 by 67 feet; one fire station, 10 by 14 feet; one fire station, 31 by 88 feet; and just for illustration, the one 31 by 84 is a \$3,200-structure.

Mr. DOREMUS. That is for fire stations?

Mr. O'CONNOR. Yes.

Mr. DOREMUS. Now, let us take a little item in connection with fire protection. What allowance did you make for fire barrels and buckets?

Mr. O'CONNOR. I did not make any detail of the fire protection system at all. We talked it over in the office and I thought that the sum of \$10,000 was all necessary to take care of the fire protection we would need for the first 90 days.

Mr. DOREMUS. And it is then your deliberate opinion that that would have been ample, Mr. O'Connor?

Mr. O'CONNOR. In my judgment it was.

Mr. DOREMUS. You realize, of course, that while that work was being constructed there was no water system.

Mr. O'CONNOR. I realize that.

Mr. DOREMUS. In view of the fact of that form of construction, which was particularly hazardous from the standpoint of fire. I assume that it would have been imperative in order to prevent fire, to keep the lumber, the shavings, and the scraps, and various things on the job, cleaned up daily; is that right?

Mr. O'CONNOR. You would have to keep the shavings cleaned up.

Mr. DOREMUS. And if you had undertaken this job, would not you have cleaned up all the scrap material?

Mr. O'CONNOR. Oh, yes; I would have taken the shavings and the small pieces of lumber out of the buildings.

Mr. DOREMUS. And that would have been true as to all of the approximately 1,500 buildings on the job. Now, would you have made any allowance for the cleaning up on the job?

Mr. O'CONNOR. Not specifically; I did not, but I would take the same precautions that I do in all my buildings that are inflammable. I would keep them sufficiently clean so that there would be no great danger of fire.

Mr. DOREMUS. As I understand it, you have no item in your estimate to cover that cost?

Mr. O'CONNOR. No; I have not.

Mr. DOREMUS. Can you give the committee an idea of the number of men you figured on in order to complete the work involved in the original cantonment?

Mr. O'CONNOR. Why, we would have started out there with something like, perhaps, 250 or 300 men; after a few days we would have increased that number to 1,000 men, and worked up until perhaps we would have 5,500 or 6,000 men.

Mr. DOREMUS. Would that 6,000 have been the maximum number of men that you would have employed?

Mr. O'CONNOR. I do not think we would have ever had over 6,000 men.

Mr. DOREMUS. Did you ever give any consideration to the question of bunk houses for the men?

Mr. O'CONNOR. No; because I figured on using the permanent buildings for that purpose, both as mess halls and as bunk houses.

Mr. DOREMUS. How would you have bunked the men before the buildings were up?

Mr. O'CONNOR. For the first few days before there was one building up, I figured on the men staying in Rockford, or any place that they could.

Mr. DOREMUS. Do you think that would have been a practical proposition?

Mr. O'CONNOR. Yes; I do; until the first building was thrown up.

Mr. DOREMUS. How much did you allow for the construction of the mess hall, for the feeding of the employees?

Mr. O'CONNOR. I did not allow anything for that.

Mr. DOREMUS. How much did you allow for installing kitchen equipment?

Mr. O'CONNOR. Nothing.

Mr. DOREMUS. Your estimate did not include ranges, steam table dishwashers, and the other articles necessary to care for thousands of boarders in a hurry?

Mr. O'CONNOR. I did not include anything for that.

Mr. DOREMUS. How much did you allow for storehouses, refrigerators, pantries for commissary purposes—

Mr. O'CONNOR. Nothing for that.

Mr. DOREMUS. How much did you allow for loss in running the commissary?

Mr. O'CONNOR. I did not figure anything for the loss in running that. I thought if I hired an efficient man we might come out even on it.

Mr. McKENZIE. Did you take this into consideration in your overhead, that you would handle the feeding of the men, or was it a part of the main work?

Mr. O'CONNOR. We always knew that it would always be necessary to feed the men, and it always has been a question with railroad contractors who are experienced in that line of work, as to the cost of feeding the men. I understand that 75 per cent of them come out behind and about 25 per cent of them come out even on the feeding of the men; and, as I say, we had \$250,000 for overhead, or rather \$251,000, and 5 per cent of the entire amount for profit. I considered that if we would lose \$50,000 or \$75,000 on the feeding of the men it was amply taken care of in the profit. In other words, I felt that if it had been possible to get the contract, and have worked your plant for 14 months at least, and your men could have been well taken care of, any contractor at that time, with the way things were going, would have jumped at it, because most of us were sitting in our offices, we could not get work. If you made \$100,000 you were lucky, and I had something like \$430,000 for the profit. If I would have had that much money I would have been willing to lose \$100,000 or \$200,000 of that, or even \$300,000, and still come out with \$100,000 ahead of the game.

Mr. DOREMUS. So you figured that whatever you lost on the commissary would be taken care of out of the profits? You estimated your profits on \$435,000?

Mr. O'CONNOR. Something like that. At first it was  $2\frac{1}{2}$  per cent, and gradually it was increased to 5 per cent to take care of any contingency that might arise. If I could have got out \$100,000 ahead, I would have been happy and satisfied.

Mr. DOREMUS. Mr. O'Connor, how many saw rigs and what kinds did you figure on having at the cantonment?

Mr. O'CONNOR. I did not figure on any saw rigs at all. I made that up in my estimate of labor on the carpentering.

Mr. DOREMUS. How many concrete mixers did you figure on?

Mr. O'CONNOR. I figured on using about three concrete mixers.

Mr. DOREMUS. Only three concrete mixers?

Mr. O'CONNOR. Yes, sir; only three concrete mixers.

Mr. DOREMUS. Will you tell us how you would work those concrete gangs?

Mr. O'CONNOR. As a matter of fact the small amount of concrete that was in the camp, Camp Grant, you could almost mix it by hand. I have a small concrete mixer that several laborers can haul around the place.

Mr. DOREMUS. You are quite sure that three concrete mixers would have been sufficient?

Mr. O'CONNOR. Yes, sir; we have a United States concrete mixer that three or four laborers can push from unit to unit.

Mr. DOREMUS. How long did you figure it would take a gang to floor one of the small outhouses?

Mr. O'CONNOR. You mean to put in the floor; I do not know whether I have that in detail or not. That floor was 4 inches rough concrete, with a half-inch finishing coat. We did not put the men on

that detail, but we have figured it at 20 cents per square foot. That is the way I always have figured it, at 20 cents per square foot.

Mr. DOREMUS. How many small lavatories did you figure on?

Mr. O'CONNOR. One lavatory, 14 feet by 18 feet; 121 lavatories, 14 feet by 14 feet; 10 lavatories, 21 feet by 49 feet; 7 lavatories, 14 feet by 28 feet; 177 lavatories, 21 feet by 56 feet; 3 lavatories, 14 feet by 36 feet; 3 lavatories, 21 feet by 48 feet; 1 lavatory, 14 feet by 36 feet; 26 lavatories, 14 feet by 21 feet; 2 lavatories, 29 feet by 56 feet; 23 lavatories, 20 feet by 49 feet; 1 lavatory, 14 feet by 35 feet; 1 lavatory, 29 feet by 29 feet; 18 lavatories, 14 feet by 29 feet; 2 lavatories, 14 feet by 20 feet; 2 lavatories, 14 feet by 16 feet; 4 lavatories, 24 feet by 35 feet.

Mr. DOREMUS. Have you the total of the number of lavatories?

Mr. O'CONNOR. I think there were 402.

Mr. DOREMUS. You, of course, Mr. O'Connor, are familiar with the fact that other buildings in the camp besides the lavatories, such as the post exchange, the bakery, the laundry, the veterinary hospital, feed houses, and storehouses, all had concrete floors?

Mr. O'CONNOR. Yes.

Mr. DOREMUS. And you figured on all those?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Did you make any allowance for the rental of saddle horses, for the use of those who had the supervision of the work?

Mr. O'CONNOR. I covered that item by the autos, Congressman.

Mr. DOREMUS. Of course, you are aware that there were no autos when construction was begun. Do you think that work could have been done without the use of saddle horses?

Mr. O'CONNOR. I had figured railroad fares and autos at \$15,000. I figured that would take care of anything in the nature of horses.

Mr. DOREMUS. You want it understood that you included whatever horses would be necessary; is that right?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Now, in making this estimate you went over the camp personally. You are familiar with the conditions generally there?

Mr. O'CONNOR. Yes, sir; I went over it personally.

Mr. DOREMUS. Let us take the largest building in the camp, the laundry, which, as I understand it, is 200 feet by 270 feet. I think your estimate on that building is \$51,000.

Mr. O'CONNOR. That is correct.

Mr. DOREMUS. You know, of course, that there is a concrete floor in that entire building?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. If it should develop, Mr. O'Connor, that the cost of the material alone in that building amounted to \$63,260.23 would it make any difference in your estimate?

Mr. O'CONNOR. Not in the construction alone, on what I figured. Does that figure take in equipment, machinery?

Mr. DOREMUS. Yes, sir.

Mr. O'CONNOR. Of course, I have no idea as to what the cost actually was of that.

Mr. DOREMUS. You did not include machinery and equipment that?

Mr. O'CONNOR. No. This is the building shown on the plain [indicating].

Mr. DOREMUS. Then you allowed more for machinery and equipment of the laundry?

Mr. O'CONNOR. Not at all. I figured the excavation trench and footing, excavation, all concrete work for the trenches, and the general concrete work for the floor, which consisted of 4 inches of rough concrete and 2 inches, filling up under the wooden floors, and all of the lumber, the trenchers, under the washers; the trenchers under the extractors; all of the roofing, novelty siding, and the mill-work, and a little hardware, but no equipment, and of course not the laundry outfit.

Mr. DOREMUS. No machinery.

Mr. O'CONNOR. Yes, sir; that is correct.

Mr. DOREMUS. I presume you have given us all the details of that \$51,000 estimate?

Mr. O'CONNOR. Yes, sir; that is about all.

Mr. DOREMUS. What can you tell the committee as to the labor turnover on a job like at Camp Grant?

Mr. O'CONNOR. You mean in the changing of the men?

Mr. DOREMUS. Yes.

Mr. O'CONNOR. Why, there would be some turnover in a job of that size. You would have a lot of drifting mechanics coming and going. But it is always my endeavor on the job to get men at the start and try very hard to keep them.

Mr. DOREMUS. On a job of that magnitude, Mr. O'Connor, the turnover would be considerable?

Mr. O'CONNOR. I presume it would be.

Mr. DOREMUS. In your estimate, did you allow anything for recruiting?

Mr. O'CONNOR. No; I did not.

Mr. DOREMUS. How much did you allow for transportation of the men to and from the job?

Mr. O'CONNOR. How is that?

Mr. DOREMUS. I am referring now to the recruiting, Mr. O'Connor; were there any charges for that?

Mr. O'CONNOR. That is all taken up in this \$15,000.

Mr. DOREMUS. That is the item for transportation?

Mr. O'CONNOR. Yes; transportation and autos, \$15,000.

Mr. DOREMUS. Do you think you could have recruited without any material difficulty under the conditions which existed in the spring and summer of 1917?

Mr. O'CONNOR. I think I would have had no material difficulty at all for the first couple of months. After that time it became very difficult to get men. I figured that this was a going matter, and if the men were treated fair and right that there would be very little difficulty in keeping them on the job. It was a good, healthy place to work in. The ground was high and level. They had no marshy ground except down at the Ericsson group.

Mr. DOREMUS. What can you tell us as to the magnitude of the task of assembling the materials for the buildings of Camp Grant?

Mr. O'CONNOR. You mean placing them at the different units where needed?

Mr. DOREMUS. Getting them on the job originally.

Mr. O'CONNOR. That would be some job.

Mr. DOREMUS. It would be a tremendous job, would it not?

Mr. O'CONNOR. It would.

Mr. DOREMUS. I am informed by the Construction Division of the War Department that Camp Grant alone used 4,353 cars of construction material and equipment up to November 7, 1917, and that the other National Army cantonments they had received by November 7, 1917, 77,317 cars of similar material. And that the National Guard camps had received 32,041 cars of material. In other words, that would be 109,358 cars of construction material and equipment for the 32 jobs alone. I am also advised that these materials were scheduled, ordered, manufactured, inspected, shipped, and delivered in 145 days. In other words, from June 15 to November 7. What can you state to the committee as to how you regard that sort of a transportation feat?

Mr. O'CONNOR. I should say it was ably taken care of.

Mr. DOREMUS. In your estimate, Mr. O'Connor, did you allow anything for expediting those shipments of material to the job?

Mr. O'CONNOR. Why, I figured in my overhead the employment of three car tracers to work on that continually from the time a car would leave its starting point until it arrived at its destination.

Mr. DOREMUS. Is that the only method that you used to expedite the transportation of materials?

Mr. O'CONNOR. That is all I figured on.

Mr. DOREMUS. Did you allow anything for men to ride the car?

Mr. O'CONNOR. No, sir; I did not.

Mr. DOREMUS. I have gone over your estimate and I fail to find any item for the gas instruction house in your tabulation. Am I right in assuming that that was not included?

Mr. O'CONNOR. You are.

Mr. DOREMUS. Were you in that part of the camp?

Mr. O'CONNOR. I was; that is one building in Camp Grant that we did not find. In fact, I do not know now where that gas instruction house is located, but it was shown on the plat as being down behind the middle pavilion over in the hospital section, and we went back of that building on top of the hill, and we could not find it.

Mr. MCKENZIE. I wish you would ask the witness as to the character of this building, as to its size.

Mr. DOREMUS. Do you know anything about the size of the building?

Mr. O'CONNOR. It is my understanding that it is a little building of tight construction. We went back of the little Red Cross Theater. We went back of that and looked all around, and we could not see it. That was the one building in Camp Grant that we were unable to find. I did not suppose that you would have it here. It was shown as being down behind the little Red Cross recreation hall. We went through the entire camp, and we came to the top of this hill, and we looked around, and I said to my man, "The gas instruction house can not amount to much, so we will take it for granted it is not here." The appropriation for it, I think, was \$800.

Mr. DOREMUS. Now, let us take one of these barrack buildings, 30 by 60 feet; I think your estimate is \$2,100 for a barracks of that kind.

Mr. O'CONNOR. \$2,060.

Mr. DOREMUS. Can you detail that estimate to the committee?

Mr. O'CONNOR. I have one of the other buildings here that will accommodate 200 men. It is a 200-man barracks.

Mr. DOREMUS. What is the size of that?

Mr. O'CONNOR. It is 43 feet wide and 140 feet long.

Mr. DOREMUS. Can you detail that for us?

Mr. O'CONNOR. We have in the first place the excavation for the postholes; then we have the cedar posts; then we have the 2 by 8 sills, the first-floor joints 2 by 8; the second floor; the bridging; the upright posts to support the different floors; the studding of 2 by 4's; the wood ends, 1 by 8; the second-floor points, of 2 by 8's; the rafters, 2 by 6; the roof, 2 by 8, the vints, 2 by 6; and in different types of detailed construction studding 1 by 6 inch. The key pieces and canopy and seven-eighths-inch underflooring; the tongue and grooved top flooring; and then the seven-eighths-inch sheathing for the siding; then the side siding, the novelty drop siding, and the seven-eighths-inch boards for the roof; and then the one and one-sixth wainscoting of the partitions; I think that is 3 feet 6 inches high; and then the millwork, consisting of the doors, and the three pairs of doors, one two-pair doors, single doors, and 6-light sash; and one flight of stairs; the open risers; 15 risers 5 feet wide, and 3 outside porches; 6 screen doors, and tables; counters, inside and hardware consisting of 48 door bolts, 5 sets of locks, and 5 top and bottom bolts; six lock sets for single doors; 168 single screws and eyes, and about 84 T angles for the ventilators, and 56 screw-eye pulleys, and about 500 feet of sash for the windows; then top screen wire, the roof, the two-ply roof and the one-ply roofing between the sheathing and the novelty siding, and then the building paper which went between the rough floor and the finish floor, and the comp board lining that went inside; then there was in those buildings 80 linear feet of ventilators.

There was a smokestack and there were 47 electric-light outlets. And that you could all figure in the details. Then the plumbing was taken care of in the plumber's figure. I think in each of the buildings there were a couple of range boilers, and a couple of sinks. And, of course, then heat; the stove heat. I want to say that we did not figure anything for stove heat.

Mr. DOREMUS. What sort of heat did you figure on?

Mr. O'CONNOR. In any of the buildings where there was stove heat, we did not include anything in our estimate, any more than we did for cots or furniture.

Mr. DOREMUS. Do you mean that you did not figure anything for heating purposes?

Mr. O'CONNOR. Oh, we have a general item of over \$100,000 for heating, but in different units in the camp there was stove heat.

Mr. DOREMUS. Then, as I understand you, you did not figure anything for unloading and setting up the stores, did you, Mr. O'Connor.

Mr. O'CONNOR. No, sir.

Mr. DOREMUS. Now, if you can give us your totals on the material and labor for that particular type of barracks I think we can leave that branch of the inquiry.

Mr. O'CONNOR. That was \$64,000.

Mr. DOREMUS. Does that include labor and the materials?

Mr. O'CONNOR. Yes.

Mr. DOREMUS. Have you separated that?

Mr. O'CONNOR. No; I have not separated that.

Mr. DOREMUS. Some time before you leave the city, Mr. O'Connor, could you separate the material and labor items?

Mr. O'CONNOR. Yes; I think I can do it.

Mr. DOREMUS. Then you can mail it to us and have it inserted in your testimony.

Mr. DOREMUS. Mr. O'Connor, the testimony shows that officers began to arrive at Camp Grant on August 17 and that the first troops arrived on September 5, 1917. The contractors were on the job for about three months after that time. What did you allow, if anything, of your building material for the use of the troops in constructing the various things in their quarters?

Mr. O'CONNOR. I did not allow anything. I took this entire job off the plans as I found them.

Mr. DOREMUS. There can be no doubt but that the first contingent of troops arrived long before the original contract was completed and I merely asked you, Mr. O'Connor, that question because of the fact that it was the custom among these thousands of troops to use material to fix up little things that they desired around their barracks. Is that a situation or a condition that you could have met under a lump-sum contract?

Mr. O'CONNOR. Well, the only thing is that it was my material and if the Government wanted it they would have to pay me for it.

Mr. DOREMUS. Of course, but is there any item in your estimate for tools?

Mr. O'CONNOR. No.

Mr. DOREMUS. Why was that overlooked? That is quite an important item.

Mr. O'CONNOR. It was not overlooked. I did not put anything for equipment, because, I say, as I stated in my testimony at Camp Grant, the equipment necessary for a lot of bare frame buildings at Camp Grant, was practically nil. For instance, take this 200-room barracks building. It is a typical building. I base your figures on, because I think there were 200 of them. There were a large number of them. Of course, in the first place, carpenters built it with their own tools. That is, I mean real carpenters. So the carpenters would have all their tools, the only tools necessary for that job would have been a shovel in the hands of a laborer to dig those postholes. I would figure, of course, on putting up a saw to facilitate and to cheapen the labor in the fitting in of the lumber. The only place where I could see any necessary equipment at Camp Grant would perhaps have been for the roads, and on that I have a lump-sum figure by the road man. Of course for the electrical work, steam fitting, and plumbing I got the lump-sum figure for the entire job.

Mr. DOREMUS. I am informed by the Construction Division of the War Department that after the troops began to arrive at Camp Grant



they had their usual troubles regarding maintenance, and that it was several months before soldier gangs were organized to do repair work, such as adjusting doors, sashes, and fixing stoves and things of that kind, and that this work was of necessity done by the contractors. Did you make any allowance for that in your estimate?

Mr. O'CONNOR. No; not for fixing up stoves.

Mr. DOREMUS. Did you make any allowance for any repair work like adjusting the doors or sashes during the time and after the troops began to arrive?

Mr. O'CONNOR. Of course, the buildings were up only some 90 days. I would not expect that all those doors and windows could be up for 90 days without some adjustments.

Mr. DOREMUS. Would not it be phenomenal if they would work perfectly on 1,500 buildings?

Mr. O'CONNOR. It would.

Mr. DOREMUS. After the construction at Camp Grant was well advanced the organization of the Army was changed to conform to the units which actual experience in France had shown to be necessary. This involved expensive alterations in the barracks buildings; for instance, the ends of some of the large barracks had to be removed. Then the buildings were extended. The mess halls and kitchens which had been built were dismantled and the partitions were changed. Various other alterations were made necessary by the change in the units of the Army. Did you make any allowance for that?

Mr. O'CONNOR. No, sir.

Mr. DOREMUS. Of course, if you had received the contract and had been called upon to make these alterations to which I refer, it would have been classed as an extra, would it not?

Mr. O'CONNOR. Yes, sir.

Mr. MCKENZIE. It might be well to get in the record, Mr. Doremus, just when they decided to put up the two-story barracks buildings.

Mr. DOREMUS. I will ask about that now.

Mr. CHANTLAND. The record already shows that. Mr. Wheaton, the architect, submitted plans for them on May 18, 1917. That is in our record. And he submitted those plans one month before the contract was let.

Mr. DOREMUS. I am talking about changes after the contract was entered into. Can you tell us, Mr. O'Connor, how many timekeepers you provided for in your estimate?

Mr. O'CONNOR. Thirty. I had 30 clerks and 30 timekeepers.

Mr. DOREMUS. You had 30 clerks and 30 timekeepers?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Can you give the committee an outline of your entire employment for time checking and time keeping, also the paymasters and pay roll, and the organization, and the rates of pay upon which you based your estimates?

Mr. O'CONNOR. That is all included in this job organization. I had planned on having 1 head bookkeeper, 2 assistant bookkeepers, 30 timekeepers, and 30 clerks.

Mr. DOREMUS. Are you able to tell us from your estimate your total expense for that?

Mr. O'CONNOR. That is all in this \$251,000.

Mr. DOREMUS. But is your total of \$251,000 so itemized that that particular item is segregated?

Mr. O'CONNOR. Yes, sir; I think I can give it to you, Mr. Doremus. That represents \$67,800 for the bookkeepers, the assistant bookkeepers, the clerks, and the timekeepers.

Mr. DOREMUS. Can you give us an outline of your purchasing, auditing, material inspection, material checking, storekeeping, and distributing force?

Mr. O'CONNOR. That is all in this job organization.

Mr. DOREMUS. And is that true as to your field and your engineering forces?

Mr. O'CONNOR. Yes, it is, for my own organization. Of course, for the roads we had the 6 per cent for engineering.

Mr. DOREMUS. And have you included in that the expense of your cost keeping and estimating charges?

Mr. O'CONNOR. If I kept the cost, it would have been by these clerks.

Mr. DOREMUS. They would have been expected to keep the cost.

Mr. O'CONNOR. They would have been expected to do that.

Mr. DOREMUS. How much do you allow, Mr. O'Connor, for liability insurance?

Mr. O'CONNOR. \$80,000.

Mr. DOREMUS. Are you familiar with the reputation of the Engineering News-Record, published in New York City?

Mr. O'CONNOR. I read it once and a while.

Mr. DOREMUS. Do you know how it is regarded?

Mr. O'CONNOR. No, sir; I do not.

Mr. DOREMUS. I would like to read you an editorial taken from the Engineering News-Record of January 23, 1919, written by the editor, Mr. E. J. Mehren, which is as follows [reading]:

EXTRACT FROM ENGINEERING NEWS-RECORD OF NEW YORK CITY, JANUARY 23, 1919, PAGE 207, BY E. J. MEHREN, EDITOR OF ENGINEERING NEWS-RECORD

In a general way we know what the Construction Division has done, but a few figures will serve to impress on us the magnitude of the task. It built 90 days 16 soldier cities, each for a population of 40,000 (now increased about 50,000), with all the utilities, such as water, sewerage, electric power and fire protection, that a modern city requires. This feat remains still the greatest single achievement of our war preparations. We had to have our cantonments quickly. We unloaded this unprecedented job on the Construction Division, and they came back in 90 days with the job done.

The work done by the division will total about \$800,000,000 in cost, and that huge sum \$400,000,000 was spent in a period of 15 months, a record in construction under a single organization that has never been approached in the history of the world.

Needless to say, the accomplishment of such a huge task economically, efficiently and at the same time at top speed required an extraordinary organization and exceptional vision and administrative ability at the top. The organization drew to itself the best brains of the country in the field of construction and those in charge wisely gave full authority to the men in the field.

With this type of personnel, and this broad-gauged delegation of authority from Washington, went a policy, handed down from the top, of fair dealing with the various contracting and manufacturing organizations selected to do the work and supply the materials. The Construction Division has done this in its brief life to establish a fair contract for Government work that is the contractors themselves in a whole generation. The cost-plus limited contract, as applied by the Construction Division, guaranteed justice to the Government and the contractor alike, and when that contract was challenged

in the general criticism of cost-plus contracts, a board composed of the presidents of the leading engineering societies of the country studied the contract, and approved it in the very highest terms.

#### THE DIVISION'S LABOR RECORD.

Further evidence of the spirit of cooperation and fair play that characterized the work of the division is shown by its extraordinary labor record. Though during its operation its contractors employed 400,000 men, the labor troubles were negligible, all of them being handled by a staff of five, some of whom had other duties besides.

Never has a body of engineers and constructors been called on to do so tremendous a job. Never were the conditions more unfavorable for success. The material that was in hand had to be used, rather than that which was most suited to the work; transportation facilities were terribly congested; labor was frequently inefficient. With these bad conditions were combined the enormous size of the job and the terrific speed with which every part of it had to be put through. Had there been in waiting a fully prepared organization, composed of trained men who had long worked together, the job would have been hard enough, but there was no organization. Thirty men constituted the available force in April, 1917. In a few months, however, the big job was running smoothly. By selecting the ablest construction men the country afforded, and uniting them under an intelligent, open-minded leadership, it has been possible not merely to master the job, but to do it with a brilliance that has attracted attention throughout the country.

It is fitting, therefore, that those who have seen the organization at close range, and watched it expand from the original band of 30 to a smoothly functioning organization of 6,000, should join in a public tribute to those who have written the name of the Construction Division so brilliantly, not only into the history of the war, but into the engineering and construction annals of this country.

Mr. DOREMUS (continuing). As a builder of large and varied experience, do you assent to that editorial expression?

Mr. O'CONNOR. Well, I am not familiar enough with the details, Congressman, to pass judgment.

Mr. MCKENZIE. Pardon me, Mr. Doremus, but I want to say for the record that that statement was not true. That camp was not completed to take care of 40,000 men in 90 days, and the man who wrote that editorial either willfully misrepresented the facts, or he was ignorant of the facts, as testified to by a man in the Construction Division.

Mr. O'CONNOR. Of course, in regard to those things I know nothing at all, because I did not keep up with building events at the time.

Mr. DOREMUS. How much did you allow, Mr. O'Connor, for building latrines for the workmen, according to the Army plans?

Mr. O'CONNOR. I did not allow anything for that.

Mr. DOREMUS. Do you know that over 100 latrines were built at Camp Grant?

Mr. O'CONNOR. No; I did not know that; I knew it would be necessary to build some few of them until the water system was in, or, rather, until part of the water system was in; that is, until they could build them.

Mr. DOREMUS. How much did you allow for the sanitary squads to operate at the latrines daily, put oil in the stagnant pools, clean up around the kitchen, and look after the incinerators, and cleaning up around the camp?

Mr. O'CONNOR. I did not allow anything.

Mr. MCKENZIE. Pardon me for interjecting a question, but I just want to know, Mr. O'Connor, what is the policy of contractors in connection with such matters as these? When you take a contract, do

you not figure in all such items, as were just mentioned by Mr. Doremus, as a part of the expense in figuring out the price at which you would take the contract?

Mr. O'CONNOR. Yes; ordinarily you do, Congressman. Of course. I realize that a job like Camp Grant in the start—I may be wrong and I may be right—but I thought after two weeks' time the men could use the regular latrines; and just the same as they could use the mess halls for eating and the barracks buildings for sleeping.

Mr. DOREMUS. Do you recall the trouble that existed at Montana Point in 1898, during the Spanish-American War?

Mr. O'CONNOR. No, sir; I do not.

Mr. DOREMUS. But you do know that the Army required, in the construction of these camps, that they be kept at all times in a sanitary condition?

Mr. O'CONNOR. I would judge that.

Mr. DOREMUS. At Camp Grant, I am told, the construction went on for a long time before the troops arrived, covering a period of seven months, the contractors handled the garbage and roughage from the kitchens of the camp. Did you make any estimate for that?

Mr. O'CONNOR. No, sir; I did not.

Mr. DOREMUS. Are you aware that, at the time construction began at Camp Grant there was no water system, and that many wells had to be dug?

Mr. O'CONNOR. Yes, sir; I knew that.

Mr. DOREMUS. Did you make an allowance for temporary wells?

Mr. O'CONNOR. No, sir.

Mr. DOREMUS. I think you have already testified, Mr. O'CONNOR, that the item of \$251,841 is overhead and included temporary track construction?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. How many feet of temporary track construction did you figure on?

Mr. O'CONNOR. 20,000 linear feet.

Mr. DOREMUS. How much?

Mr. O'CONNOR. 20,000 linear feet.

Mr. DOREMUS. I am told that in the original construction of Camp Grant they used 44,290 feet.

Mr. O'CONNOR. Was that the total feet of rails or was it the linear feet of track?

Mr. DOREMUS. Linear feet of track.

Mr. O'CONNOR. I had 40,000 feet of rails.

Mr. DOREMUS. Out of this overhead estimate of \$251,841, how much of this represents temporary track construction; have you the data handy?

Mr. O'CONNOR. Yes, sir; I have it here. It represents \$38,000.

Mr. DOREMUS. I am advised by the construction division that 17,379 feet of the temporary track was afterwards removed. It was used only for distribution and did not pertain to the permanent track layout, in your estimate would you provide anything for removal of the temporary tracks?

Mr. O'CONNOR. No, sir; I would not. The way I come to my temporary-track data was from the general manager of the North Western Railroad. He gave me approximately \$2.50 per running foot.

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No.

Did you make any allowance for the 29 surface  
ns which were constructed?

Do you mean for temporary use?

Yes.

Mr. O'CONNOR. No, sir; I did not. That is, you are referring to the men who did not live at the camp. We did not transport them backward and forward?

Mr. DOREMUS. Yes.

Mr. O'CONNOR. Yes, sir; we did not. I did not suppose that cost the Government anything. I would assume that you would supply the busses; but the men would pay their fares back and forth, as in that way it would be a self-sustaining proposition.

Mr. DOREMUS. I understand; but I may be mistaken; but I think that that is all included in the cost.

Mr. O'CONNOR. Would not that be met by the fares of the men riding in the busses, going back and forth?

Col. COUPER. Yes; that is correct.

Mr. DOREMUS. Did you make any allowance, Mr. O'Connor, for the hire of shifting engines and crews?

Mr. O'CONNOR. Switching engines?

Mr. DOREMUS. Shifting.

Mr. O'CONNOR. No, sir; I did not.

Mr. DOREMUS. How much did you allow for temporary water supply during the time of the piping as to storage tanks, etc.?

Mr. O'CONNOR. That was all taken care of in our profit and overhead, Mr. Congressman.

Mr. DOREMUS. In figuring the sewer subcontract, did you include the disposal plant?

Mr. O'CONNOR. Yes; I think we did.

Mr. DOREMUS. If you can, I wish you would tell us how it was allowed for this disposal plant?

Mr. O'CONNOR. We have not that in detail. We have the lump sum. We have sewage, \$450,000.

Mr. DOREMUS. One separate item for the disposal plant.

Mr. O'CONNOR. Here is what he gave me.

Mr. DOREMUS. If you can not turn to that readily, Mr. O'Connor, we can let that drop for the present and perhaps you can insert it later.

Mr. DOREMUS. I think your estimate on the steam-heating work was \$1,622,165. Am I right about that?

Mr. O'CONNOR. Yes; those figures are correct, Mr. Congressman.

Mr. DOREMUS. It has been suggested, Mr. Chairman, that the record ought to show that all the steam heating in this camp was done by one firm, Kehm Bros., of Chicago, and that this firm did nothing but steam heating. If you desire that verified later it can be done. The record does show it at page 2062, but the cost of their work, including their fees, was only \$1,380,827.27. If being true, Mr. O'Connor, the actual cost was \$241,337.73 less than your estimate. Do you think that is correct?

Your estimate was \$1,622,165, and the actual cost of the work was \$1,380,827.27. That gives a difference of \$241,337.73. That is the difference between your estimate and the actual cost for that work.

Mr. O'CONNOR. Yes; that apparently is correct. But I wonder if they included in that figure the cost of the boilers. Did they include in their price the price of the boilers, or did the Government buy the boilers?

Mr. DOREMUS. I have no personal knowledge of the matter.

Mr. O'CONNOR. I wondered if the Government bought the boilers. I know they had a man in Washington for three months selling boilers. In fact, this man had charge of all the western division, all of the cantonments, and I do not know whether that was included in the figure you give or not.

Mr. DOREMUS. Can you tell us of your own knowledge, Colonel?

Col. COOPER. No, sir.

Mr. O'CONNOR. But in any event, that is not a bad estimate, within \$200,000 on that amount of work. I would consider it a very close estimate. I am glad it came out this way.

Mr. DOREMUS. I think, Mr. O'Connor, in your estimate, you allowed nothing for the construction of pumping stations. I will ask you if that item is covered under your general heating, or plumbing, or water systems or sewer systems?

Mr. O'CONNOR. It is taken in under the water system, Congressman.

Mr. DOREMUS. Is that item separate in the estimate?

Mr. O'CONNOR. I think so.

Mr. DOREMUS. If you will, submit that in the record as to the pumping house and reservoir?

Mr. O'CONNOR. I allowed \$20,000.

Mr. DOREMUS. If you can amplify that, I wish you would do so.

Mr. O'CONNOR. The book has been offered in evidence; it is here for the purpose. This record contains all details in regard to the wells, the machinery, the pumps, the compressors, and the switch-board.

Mr. DOREMUS. Passing from that, Mr. O'Connor, did you allow anything for drilling the wells from which the permanent water supply was to be obtained?

Mr. O'CONNOR. This is in this detail that I have been speaking of. There were seven wells.

Mr. DOREMUS. On this job there is a concrete reservoir, I am told, 16 feet deep, with a capacity of 300,000 gallons of water, which was built for intermediate storing. How much did you allow for the construction of that reservoir?

Mr. O'CONNOR. Twenty thousand dollars.

Mr. DOREMUS. Your water systems required a maintenance force to take care of the leaks, and the contractor was required to do that work. Did you make any allowance for that?

Mr. O'CONNOR. Not to take care of leaks; no, sir.

Mr. DOREMUS. Did you allow anything for surface drainage work?

Mr. O'CONNOR. No.

Mr. DOREMUS. What is the sump?

Mr. O'CONNOR. It is usually a hole in the ground. It takes in surface water.

Mr. DOREMUS. I am told that there was 65 of those on the job, for the purpose of taking care of the surface drainage. Did you make any allowance for that?

Mr. O'CONNOR. No.

Mr. DOREMUS. Did you make any allowance for the 29 surface drainage catch basins which were constructed?

Mr. O'CONNOR. Do you mean for temporary use?

Mr. DOREMUS. Yes.

Mr. O'CONNOR. All these temporary basins were included in the road man's or the sewer man's figures.

Mr. DOREMUS. Did you include in your overhead item of \$251,541 the expense of running your office?

Mr. O'CONNOR. Do you mean my office in Chicago?

Mr. DOREMUS. Yes.

Mr. O'CONNOR. No, sir.

Mr. DOREMUS. But you did include the expense of conducting your office at the camp?

Mr. O'CONNOR. Yes, sir; I did include the expenses of the office at the camp.

Mr. DOREMUS. In this item of \$251,000, how much did you allow for your office force, if you can tell us, and for operating your office?

Mr. O'CONNOR. The item that I have just given you of \$67,800.

Mr. DOREMUS. Did that take care of everything in the clerical work in the offices, the tracing of the cars, and did it take care of the pay rolls in regard to the material; in fact, everything in a clerical way in the entire camp?

Mr. O'CONNOR. Yes, sir.

Mr. DOREMUS. Did you allow anything for building crossings over the sewer and water trenches in order to distribute your materials?

Mr. O'CONNOR. No; I did not.

Mr. DOREMUS. In the distribution of material, did you figure the loads handled by the teams in the same way that you figured on your city work?

Mr. O'CONNOR. Practically the same way.

Mr. DOREMUS. Is there not a vast difference between the operation on a city job and a job like that?

Mr. O'CONNOR. No, sir; I do not think there would be a material difference, for the reason that an auto in the city would leave the track with a load of lumber and it would be stopped perhaps 35 times before it would arrive at the point of its destination. It would be stopped by congestion in the street and the railroad and street cars and so forth. Out here in the camp it would have a clear track. The only difference is that it would carry a lighter load, but it would make more trips a day, which would compensate for the heavier load carried in the city. It would surprise you to know how few trips are made in the city by a truck.

Mr. DOREMUS. Do you think that the trucking at the camp would have been rapid enough to have offset the reduction that would have been necessary in the load, especially since you had to run on virgin soil?

Mr. O'CONNOR. Yes, sir; it would make you sick to see the number of loads the trucks make in the city.

Mr. DOREMUS. Did you include in your estimate the probable number of teams that would be required on the job?

Mr. O'CONNOR. Only in figuring my price per thousand feet: one per cubic foot, and so forth. In the case of lumber, I figured anywhere from \$1 to \$2 a thousand for handling it, which would take care of all transportation problems.

Mr. DOREMUS. And you include in that all the cost of all the team-work?

Mr. O'CONNOR. Yes, sir.



Mr. DOREMUS. How much did you allow for building the corrals and furnishing water for the teams?

Mr. O'CONNOR. We did not figure anything for that.

Mr. MCKENZIE. You say you did not figure anything. You mean by that that you did not figure anything in detail, but you included it in the general figures?

Mr. O'CONNOR. It was all figured in the profit and in the overhead expenses.

Mr. DOREMUS. In your estimate have you an item for third-party insurance?

Mr. O'CONNOR. Third-party insurance?

Mr. DOREMUS. Yes. What is commonly known as third-party insurance of the laborers going on the job. They are insured, I understand.

Mr. O'CONNOR. Public liability; oh yes, sir.

Mr. DOREMUS. How much do you allow for that?

Mr. O'CONNOR. Eighty thousand dollars; you will find it indicated there. Oh, you mean the public liability?

Mr. DOREMUS. Yes. Where people come on the job, and come under the work.

Mr. O'CONNOR. Yes; that is, the public and the men also. It covers both.

Mr. DOREMUS. That is all included?

Mr. O'CONNOR. Yes, sir; that is all included.

Mr. DOREMUS. How much did you allow for automobile insurance?

Mr. O'CONNOR. Nothing.

Mr. DOREMUS. Did you allow anything for the purchase and rental of automobiles and automobile trucks?

Mr. O'CONNOR. Yes; it comes in there as \$15,000.

Mr. DOREMUS. Can you tell us without taking too much time on how many you figured on using and for what length of time?

Mr. O'CONNOR. No; I could not tell you that, Congressman. The way I estimated it was that I estimated my lumber at \$2 a thousand distributed from the cars to the units.

Mr. DOREMUS. Have you ever had any work for the United States Government before?

Mr. O'CONNOR. No, sir; I have never worked for the Government.

Mr. DOREMUS. Has it been your experience, Mr. O'Connor, as a contractor handling lumber on contracts, that the so-called extras, that is those things that are thought unnecessary at the time the contract is entered into, are construed on as favorable a basis from the owner's standpoint as the other contract work? I merely want to get your opinion on that as a practical man.

Mr. O'CONNOR. They usually pay more for an extra.

Mr. DOREMUS. Is it not a fact contractors sometimes make a lump-sum contract at cost or even less than cost with the idea that they will make up their losses on the extras?

Mr. O'CONNOR. He would be a very desperate gambler to do that. I certainly never would do it.

Mr. DOREMUS. I do not mean to infer that you do. But it is done.

Mr. O'CONNOR. I have heard that it is done, but I could not say that it is done.

Mr. DOREMUS. Can you give us an idea, on a job like Camp Grant, as to whether those extras would assume a considerable proportion?

Mr. O'CONNOR. Of course, I have no knowledge, Congressman, of the changes that were made.

Mr. DOREMUS. I am assuming now that you got the contract on a lump-sum basis, in accordance with the estimate which you have submitted to the committee. I want to get your idea as a practical builder, as to whether the extras upon that job, and which are not provided for in the original contract, would reach a considerable sum.

Mr. O'CONNOR. Of course, I do not know what those extras might be. I do not know what changes were made from the original plan. Of course, if the changes in the main amounted to a great deal they would increase the cost unless there was a cubic price put in there or a linear price put in there to safeguard the Government. If that were true, then it would have to be the price agreed upon in the beginning.

Mr. DOREMUS. I will ask you one more question and then I think I am through. The first contract as you remember, covered the original camp. The second contract was entered into for maintenance and small construction work, including possibly some of the 100 buildings of various dimensions, including the hospital building, the hay shed and the horse stable and the Liberty Theater. A third contract was then entered into for the enlargement of the camp to accommodate 29,000 more men. In view of the fact that these three contracts were made and at different times, what would be its effect upon the total cost of the job? Perhaps I can make that a little clearer. What would be its effect as contrasted with the cost of the job, one complete job, all done under one original contract?

Mr. O'CONNOR. It would have been less if the whole thing was let under one contract. If the three divisions were let under one lump-sum contract at that time, it would have been less because in the interim the carpenters' wages went up on June 1, 1918; I think that was before the Ericsson contract was let. I think his last contract was let, I think, September 10, and it was closed down two months later, November 11, or the 10th. Of course in that time with the cost of everything advancing, it cost more money. This was due because of the increase of the wages of the carpenters. The wages of carpenters went from 70 cents to 80 cents an hour on June 1, 1918, and in any event, in letting the contract under one lump-sum contract, could undoubtedly figure a little less money than by three separate contracts.

Mr. DOREMUS. If there were three different contracts, there would be three separate and distinct losses.

Mr. O'CONNOR. Not necessarily; not unless other contractors got the other contracts. Of course, he would be through with the first contract before the time that the second contract was started.

Mr. DOREMUS. And by his letting of the complete project under three contracts, it necessarily did increase the cost of the job, is that correct, Mr. O'Connor?

Mr. O'CONNOR. I think so. That is if separate men got the contracts.

Mr. DOREMUS. Could you insert in the record, Mr. O'Connor, the names of the subcontractors that you figured on?

Mr. O'CONNOR. I can do that if it is absolutely necessary. Of course, you know of the builders in Chicago, and I presume the same holds true in other cities, especially in utilities, contractors are

very closely affiliated in association, and I had made two or three of these men half promises that they would not become involved and their names made public. They did it for personal friendship for me, but if it becomes necessary, I can give those names; but you can naturally understand, Colonel, especially in regard to plumbing and steam fitters.

Mr. McKENZIE. I would like to ask you, Mr. O'Connor, whether or not you know these men personally and know them as men of integrity?

Mr. O'CONNOR. I have known them for years, when I was a time-keeper for the Fuller Co. They are men who would not give me an incorrect figure if I gave them every dollar I had.

Mr. McKENZIE. I take it from your answer on that, in making up your estimate, you did not include in detail many things that would enter into the expense of the construction of a camp such as Camp Grant. For instance, detailing a statement in regard to automobiles and saddle horses, or pump to take care of the surface water, or many other things that were brought out by Mr. Doremus. You made no detailed estimate of those items, but included them in your general estimates; for example, you took care of automobile and teams in your estimate as so much per thousand of moving material from the track to the job.

Mr. O'CONNOR. Yes, sir. I gave it in that way.

Mr. McKENZIE. And you do not want us to understand that you did not take up those items and consider them at all?

Mr. O'CONNOR. In short, I had in mind all the necessities at Camp Grant. I had in mind the taking care of the men for perhaps 10 days or 2 weeks before the permanent buildings were erected.

That is, in regard to the permanent latrines I had in mind the digging of a hole in the ground and covering it up after the permanent latrines were built, and we were building these as quickly as possible and in that way could meet any emergency. I had in mind also the fire protection of the camp, and I had in mind the condition of this virgin soil, and would have arranged to dump cinders on the road. I had in mind the crossings and the sewers, and I had an item of \$251,000 and an item of approximately \$460,000, which made a total of \$711,000. I knew that these items would have to run up in a most gigantic manner if I could not have left out of the \$711,000 at least \$150,000 for my year's work, for which I would have been very happy indeed. I certainly would have been happy, indeed, to have received that, rather than to have had to sit in my office in Chicago, as all the other contractors were doing at that time, because we could not build. The Government would not permit us to get the material.

Mr. McKENZIE. Now, you have heard the testimony and know that one of the particular matters that has been insistently impressed upon the committee was the necessity for haste in the construction of these camps, and in that I think we are all agreed. The testimony of some has also been to the effect that on account of the necessity for haste that the cost-plus contract system as applied to these various camps and cantonments was the only form of contract that could be used to attain the end of having the work completed in a very short time. Now, I want to ask you as a contractor whether you are acquainted with any contractor who had

experience in doing work for the Government under lump contract, and if so I wish you would cite an instance or two for the benefit of this committee as to just what the results were in those cases.

Mr. O'CONNOR. The first instance that I can think of is one that I was thinking of while coming here on the train. This, however, is only a small item. I do not know what the amount involved was. I only know that there was 1,380,000 feet of lumber involved, to say nothing of other material. It was the Sommer-Sollitt Co., of Chicago. They got the contract.

Mr. McKENZIE. Where was this work to be done?

Mr. O'CONNOR. At Fort Sheridan. He got his contract at 9 o'clock Saturday evening, and Sunday morning by 11 o'clock he had 14 cars of material on the job, and his contract was to be completed within eight days, and I know that it was the topic of gossip in Chicago—that he would break his neck, that he was crazy, but in spite of all this he finished the work in seven days, and the thing was completed. I think that was the first job around Chicago.

Mr. McKENZIE. That was a lump-sum contract, and with a time limitation?

Mr. O'CONNOR. The time limitation was eight days. The Government had a man up there; I do not remember his name, but he was to see that it should be finished within eight days. The company finished in seven days. The company had an average of 400 men on the job. It ran from 100 to 700 men, but I know that Mr. Sommer told me himself that his average was 400 men.

Mr. McKENZIE. And how much lumber did he put in place?

Mr. O'CONNOR. There was 1,380,000 feet of lumber, which averaged about 600 feet of lumber in place per day of eight hours per man. Of course, in addition to this lumber there was this roofing and his compo board and his work for forms in the latrines and the putting in of the windows and the doors, and putting in whatever was necessary in the work. It was, I consider, a marvelous and miraculous piece of work.

Mr. McKENZIE. That would hardly be a fair illustration of the haste with which work would be done. That would perhaps be a rather exceptional case.

Mr. O'CONNOR. It was; yes, sir.

Mr. McKENZIE. But, nevertheless, it demonstrated the fact that under a lump-sum contract haste can be had as well as under another style of contract.

Mr. O'CONNOR. Mr. Sollitt's future depended on that particular eight days' contract. He got up there and with his men and organization, including his carpenters, he went like a buzz saw, and the thing was contagious among his men, and that gait was kept up.

Mr. McKENZIE. When was that work done?

Mr. O'CONNOR. I could not give you the date but it was very early in the work around Chicago. It was one of the first things in 1917 that we heard of. It was before Camp Grant.

Mr. McKENZIE. Mr. Doremus asked you some question about making changes in construction if it would not add to the cost, and your response was that it would, and that the contractor ordinarily got the higher prices for such extras and for such work. Now for such work as for the construction of Camp Grant, would not

changes that might be made be of a very simple character or would they be complicated?

Mr. O'CONNOR. I can not conceive of anything that would be serious that you could call complicated. Changes would be such as changing partitions, or perhaps changing the height of a one-story building to a two-story building, or widening a building or lengthening it out.

Mr. McKENZIE. It would be regular work, would it not?

Mr. O'CONNOR. It would not be anything especially, from the construction point of view. I do not think they would let a building go so far that they would have to take down a part of it to remodel it in that way.

Mr. McKENZIE. There was an assumption in the question of a force of men being kept on the ground. That was the assumption. I do not know whether that was done. The question would lead one to assume and believe that it was necessary to keep a force of men occupied at these camps after the contractor got through with his contract to see that the doors would swing and that the windows were all right and would work. Now, I want to ask you whether or not it is not true that under the lump-sum contract a contractor must deliver the work completed, and that it has to be inspected and accepted by the Government or by the owner before the contractor is relieved from his contract?

Mr. O'CONNOR. Yes, sir; before he is paid, whether on a private contract or on a Government contract, the work must be inspected by the architect or the man supervising the work, and after the work was inspected and found correct the contractor would be given a certificate to that effect, after which, of course, the contractor would be relieved of his contract.

Mr. McKENZIE. Then, I understand that everything must be in a workable condition. If the door does not close, the attention of the contractor would be called to it and he would be obliged to remedy it?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. I want to ask you, Mr. O'Connor, as a contractor, whether or not you looked over the testimony of Col. Warfield, who came before this committee at Camp Sherman?

Mr. O'CONNOR. Yes, sir; I remember the testimony.

Mr. McKENZIE. You remember particularly his testimony in regard to the construction work at Fort Leavenworth?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. And that work was done under the lump-sum system?

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. What have you to say, if anything, as to his testimony, whether or not you believe the same result could have been attained as he brought about in his construction at Fort Leavenworth on other work. How did it compare with your estimate?

Mr. O'CONNOR. I was very much interested in his testimony, because I was interested to know how it matched up with my estimate. If I remember correctly his estimate was  $7\frac{1}{10}$  cents per cubic foot. That is for buildings such as barracks, mess halls, hospitals, etc., and my lowest estimate on such buildings was about 7 cents per cubic foot, but for the lavatories my figures ran to 12 cents per cubic foot. On

the administration building my figure was 8½ cents without any utilities. By the way, in his testimony he claimed that his 7½ cents included all utilities. The medical buildings in my estimate came to 10½ cents; officers' quarters, 9 cents; fire stations, 10 cents; guard-houses, 9 cents; hospital units, 14½ cents. These were all without the utilities. I just ran over these hurriedly last night to satisfy myself on the figures. So if all of his buildings were built for an average of 7½ cents, then my figures were very liberal at Camp Grant.

Mr. DOREMUS. Are you aware, Mr. O'Connor, that Col. Warfield's job consisted only of 10 barracks, 10 mess halls, 10 kitchens, 5 bath-houses, and 5 latrines?

Mr. O'CONNOR. Yes, sir; I understand that.

Mr. DOREMUS. Of course you would not attempt to compare a job of that kind with the construction of Camp Grant.

Mr. O'CONNOR. The only way that I would compare that with the Congressman, is that his work would count a little more than this being such a small job.

Mr. DOREMUS. But Col. Warfield's utilities were all installed before he ever started at Fort Leavenworth. He only had to be connected up, as I understand.

Mr. O'CONNOR. In his testimony he said that it included utilities.

Mr. MCKENZIE. You have examined the appendix No. 16 of the quartermaster's manual over there, Mr. O'Connor [indicating], and examined the plans sent out by the quartermaster in that appendix and also the blue prints. I want to ask you whether you believe that from those plans and the material and the blue prints that you could have sent foremen onto the ground and started to work without any further delay and that you would have been prepared to bid on that sort of structure?

Mr. O'CONNOR. Yes. I remember examining these before, Congressman. I can not see why you could not bid on it. In other words you are assisted here more than you are ordinarily, because the material is all out here. All you really had to do was to check over the material, and there is everything that the foreman would deem necessary to go out and start on the job.

In closing I wish to make a correction in my former testimony. At page 338 of the abstract of testimony before this committee I figured on my lumber and on my carpenters on the basis of \$1 per hour. In other words, I figured the lumber at \$17 per thousand in place. This figure includes the working in of the lumber in the proper place, and does not include the price of the lumber. In my testimony it was given that "I figured the lumber at \$7 per thousand in place." That statement is incorrect, and therefore I wish to make this correction.

Mr. DOREMUS. Do you want the committee to understand, Mr. O'Connor, that you could have taken those plans [indicating] as specifications and blue prints, as they were prepared by the Quartermaster General in 1916, and made an intelligent bid on the construction at Camp Grant?

Mr. O'CONNOR. The plans that I have looked at, Congressman, have everything here.

Mr. DOREMUS. Are you aware, Mr. O'Connor, that those plans were prepared for the construction of barracks on the Mexican border when we had trouble down there?

Mr. O'CONNOR. I do not know what they were prepared for; but if anyone asked me to give a figure on the building as represented on this blue print [indicating], with the assistance of the material that is all out here, I could not say otherwise than that I could do it. The fact is there is almost a specification on each sheet. I do not know as to the fitness of this building for Camp Grant, but if anyone asked me to give a figure on this building I could sit down and figure it out.

Mr. DOREMUS. Do those plans and specifications include sufficient data on which you could base the cost of all the utilities of every kind and nature that was used at Camp Grant?

Mr. O'CONNOR. It specifies the plumbing arrangement here, and it specifies the heating of so many cubic feet of heating surface. It gives the price, the same sizes of sashes and doors. There are little cross-sections here that show the sizes of the lumber. The only difference between these and the plans I figured from are that these are on a smaller scale.

Mr. DOREMUS. Then you want the committee to understand, Mr. O'Connor, that in your judgment you could have taken those plans and specifications and from them prepared an intelligent estimate and put in an intelligent bid for the construction of Camp Grant without any additional data?

Mr. O'CONNOR. Yes. For anything that I had the plans for. For instance, I could figure this one building. Here is a completed barracks for 200 men.

Mr. DOREMUS. An attempt has been made to show that with these plans and specifications which were in the Quartermaster General's office in 1916 the contractor could have made an intelligent estimate of the cost of any one of 16 large cantonments, regardless of the utilities and all of the other things that were with these cantonments. Now, do you think that would have been possible?

Mr. O'CONNOR. Of course, I do not know what other plans there were for the utilities; I only know this: I can take this set of plans and figure the construction in general—the electric lighting; the plumbing, in so far as the inside plumbing is concerned; I could figure the wiring—that is, the inside wiring; everything, in fact, in this plan. Of course, for the outside sewerage, the water system, the roads, the electric light, the cement, and all of that, why, that I do not know, because it was not on the plans.

Mr. DOREMUS. That is the point exactly.

Mr. O'CONNOR. Whether there were other plans in existence or not, I do not know. But I could have built every building at Camp Grant from these plans.

Mr. DOREMUS. I think, possibly, that is so.

When were you asked, Mr. O'Connor, to make this estimate?

Mr. O'CONNOR. I do not think I have that date, Congressman.

Mr. DOREMUS. Approximately.

Mr. O'CONNOR. It was in September, I think.

Mr. DOREMUS. September, 1919?

Mr. O'CONNOR. Yes, sir; in 1919.

Mr. DOREMUS. And how long after that date before you turned in your estimate?

Mr. O'CONNOR. I have not even that. But I think on October 15 I brought them to Washington.

Mr. DOREMUS. I wish you would insert in the record the exact date, if you can ascertain it, upon which you were asked to make this estimate.

Mr. O'CONNOR. I can send that to you.

Mr. McKENZIE. We will take a recess till 2.30 o'clock p. m.

(Thereupon, at 1 o'clock p. m., the committee took a recess until 2.30 o'clock.)

AFTER RECESS.

Mr. McKENZIE. The committee will please come to order.

TESTIMONY OF MR. HARRY D. CARLIN, BUILDING CONSTRUCTION AND ENGINEERING, NEW YORK CITY, N. Y.

Mr. McKENZIE. Mr. Carlin will you please give your full name to the reporter?

Mr. CARLIN. Harry D. Carlin.

Mr. McKENZIE. Where is your home, Mr. Carlin?

Mr. CARLIN. 270 Washington Avenue, Brooklyn, N. Y.

Mr. McKENZIE. What is your business?

Mr. CARLIN. Building construction and engineering.

Mr. McKENZIE. How long have you been engaged in that business?

Mr. CARLIN. Eighteen years.

Mr. McKENZIE. Are you a member of a firm, or do you operate as an individual?

Mr. CARLIN. I am a member of the firm, and am vice president and treasurer. The firm name is the P. J. Carlin Construction Co.

Mr. McKENZIE. Will you tell us what character of construction you have been engaged in putting up?

Mr. CARLIN. The general building construction, considerable industrial plant buildings, office buildings, loft buildings, administrative buildings.

Mr. McKENZIE. What would be about the total of your annual business?

Mr. CARLIN. About \$2,000,000 to \$3,000,000.

Mr. McKENZIE. And for what amount are you incorporated?

Mr. CARLIN. \$100,000.

Mr. McKENZIE. And that, of course, is taken up in your equipment and overhead, or do you have more than that?

Mr. CARLIN. I do not understand the question.

Mr. McKENZIE. Of course, in your concern, you carry equipment.

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. You have an office. Now, does your office and such other equipment that you have represent more than \$100,000?

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. About how much would you say?

Mr. CARLIN. I would say that at the present time our investment represents, including equipment, resources, etc., about a half million dollars.

Mr. McKENZIE. At a former hearing of this committee Gen. Goethals, who was chief of construction of the Army, testified



that in his judgment, that in the spring of 1917, owing to the uncertainty and the fluctuation in the price of material and labor, it would not have been possible to have entered into a lump-sum or fixed contract for the construction of the camps or cantonments. I want to ask you, as a practical builder, contractor, what is your judgment about that? I would like to have you state it fully.

Mr. CARLIN. I believe that it would have been possible to have entered into a lump-sum contract. I know that at the time we submitted applications. We had a bid in Washington for that, and we had the organization and the equipment, and we anticipated that the work would be given out, and we were prepared at that time to do it.

Mr. McKENZIE. Was your firm listed by the Construction Corps, and did you file a questionnaire as required by the emergency construction committee?

Mr. CARLIN. Yes, sir; we did; and we had a representative down here for some months. I believe we were listed.

Mr. McKENZIE. How did the conditions then compare with present conditions?

Mr. CARLIN. The conditions now are, unfortunately, worse than they were at that time.

Mr. McKENZIE. At the present time are you taking and entering into lump-sum contracts?

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. On any considerable proportions?

Mr. CARLIN. We have just closed one contract for about \$1,000,000 on the lump-sum basis.

Mr. McKENZIE. I would like to have you, Mr. Carlin, explain somewhat in detail how you protect yourself in entering into a contract of that sort. That is, in regard to the fluctuation in the price of material and labor.

Mr. CARLIN. We base our estimates on the prevailing market prices and usually get those conditions to stand for a limited time, so that as soon as the contract is awarded—if it is awarded to us—we may close at those prices on which we figure.

Mr. McKENZIE. Is that the customary practice?

Mr. CARLIN. Yes; it is the usual practice.

Mr. McKENZIE. Have you ever had entered in any of your contracts a provision between your firm and the owner to take care of any unusual fluctuations that might occur?

Mr. CARLIN. We have; yes. We have made estimates on a lump-sum basis, based on the prevailing scale of wages and on the prevailing prices. Usually we are in a position to cover on material in the prices which we bid. And for the labor, that is closed sometimes on a sliding-scale basis. If the wage increases, we are to be paid the increase, and if there is a decrease, then we make an allowance.

Mr. McKENZIE. That is, the actual increase or decrease in the basic price on which you had figured on the contract?

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. And that is absolutely fair to both the contractor and the owner?

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. Were you present this morning, and did you hear the testimony of Mr. O'Connor, of Chicago?

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. As I remember it, he testified that a man could put in place something like five to six hundred feet of lumber in construction work per day.

Mr. CARLIN. Of timber; yes, sir.

Mr. McKENZIE. What would you say about that?

Mr. CARLIN. I would say that it was a very conservative estimate. That they should do at least that in a day of eight hours.

Mr. McKENZIE. Have you kept up to date on the fluctuation in the prices of material prior to the war, during the war, and at the present time?

Mr. CARLIN. Pretty much; yes, sir.

Mr. McKENZIE. I am speaking now, when I speak of war time, mentioning particularly in June, 1917, which was the time and the month in which the contract was let for the 60 cantonments.

Mr. O'CONNOR. Yes, sir.

Mr. McKENZIE. What have you to say about the difference in price of material?

Mr. CARLIN. The prices to-day and the prewar prices? In June, 1917, and prior to the war—why, I should say they have advanced about 20 or 25 per cent.

Mr. McKENZIE. I want to ask you, Mr. Carlin, whether or not you have examined the Quartermaster's Manual No. 2, of 1916, appendix 16 of that manual?

Mr. CARLIN. Yes, sir; I have looked at that.

Mr. McKENZIE. And have you also examined the blue print furnished by the Quartermaster Department, of May 7, 1917, as to the two-story barracks?

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. As a practical contractor, I would like to have your judgment as to whether or not you could have put up sheet buildings for these camps or cantonments from those plans and the prints without any further detailed plans?

Mr. CARLIN. Yes; I think there is sufficient detailed information indicated on these plans to put up that type of building. That is, I see them represented here [indicating].

Mr. McKENZIE. Would you have been willing to bid as a competitive bidder for the construction of the cantonment from the plans and specifications?

Mr. CARLIN. Yes, sir.

Mr. McKENZIE. I want to ask you, Mr. Carlin, if you know anything about the Westinghouse, Church, Kerr & Co.?

Mr. CARLIN. Yes, sir; I know them.

Mr. McKENZIE. Where are they located now, in New York City?

Mr. CARLIN. Yes, sir; in New York City.

Mr. McKENZIE. Will you just state for the benefit of the record something about their size and financial ability.

Mr. CARLIN. They have a high standing in the business. They are considered very sound financially and capable of carrying out a contract of any magnitude.

Mr. McKENZIE. In other words, they are one of the largest contracting concerns in the country?

Mr. CARLIN. Yes, sir; they are one of the largest contracting concerns in the country.

Mr. McKENZIE. What is their reputation as to completing work; that is, when they undertake a contract?

Mr. CARLIN. It is of the best.

Mr. McKENZIE. What do you know about the Degnon Construction Co., of New York?

Mr. CARLIN. The Degnon Construction Co. do some of the very argest work around the country, particularly in New York City.

Mr. McKENZIE. What is their standing?

Mr. CARLIN. Excellent. They are of the highest standing.

Mr. McKENZIE. Do you desire to question the witness, Mr. Doremus?

Mr. DOREMUS. No, sir.

(The witness withdrew.)

### TESTIMONY OF MR. JOHN A. PAYNE, JR., VERA, APPOMATTOX COUNTY, VA.

Mr. McKENZIE. Mr. Payne, please state your full name to the reporter.

Mr. PAYNE. John A. Payne, jr.

Mr. McKENZIE. What is your business?

Mr. PAYNE. I am a lumber manufacturer, located at Vera, Appomattox County, Va.

Mr. McKENZIE. Can you tell us when the Payne Lumber Co. was organized?

Mr. PAYNE. It was in June, 1916, as near as I can remember it. It was during the first year of the war.

Mr. McKENZIE. When was the Faulconer Lumber Co. organized?

Mr. PAYNE. In November, 1915.

Mr. McKENZIE. Who were the stockholders in the Payne Lumber Co.?

Mr. PAYNE. In the John A. Payne Lumber Co. I was the only stockholder, I and my wife. We were just a company.

Mr. McKENZIE. Can you tell us who were the stockholders in the Faulconer Co.?

Mr. PAYNE. P. H. Faulconer, Hollis Rinehart, Horace Rinehart, of Charlottesville, and John A. Payne, jr.

Mr. McKENZIE. Is the Rinehart that you mention a member of the lumber company; that is, of the firm of contractors that helped to build Camp Lee?

Mr. PAYNE. Yes; he was the same party.

Mr. McKENZIE. Was Faulconer also a member of that company?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. Now, what office in the company did each of these men hold?

Mr. PAYNE. Mr. Faulconer was president and Mr. Rinehart was the vice president. I was the secretary and manager of the Faulconer Lumber Co.

Mr. McKENZIE. Rinehart and Dennis was the name of the firm that built the camp?

Mr. PAYNE. Yes, sir; the Rinehart & Dennis Co.

Mr. McKENZIE. What position did Rinehart and Faulconer hold in that company?

Mr. PAYNE. I am not sure, but I think that Mr. Rinehart was the president and Mr. Faulconer was the general manager. I think that is it.

Mr. McKENZIE. You took over the lumber business of Rinehart-Faulconer Lumber Co.?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. And that was at that time?

Mr. PAYNE. Yes, sir; June 19, 1917.

Mr. McKENZIE. What was the capital stock of the Faulconer Lumber Co.?

Mr. PAYNE. \$15,000.

Mr. McKENZIE. And you bought that company out, as I understand it.

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. And carried on the business under the firm name of Payne Lumber Co.?

Mr. PAYNE. Yes, sir; that is right.

Mr. McKENZIE. What did you pay these men for this lumber business?

Mr. PAYNE. I paid them \$10,000.

Mr. McKENZIE. And how much stock did they have on hand at that time?

Mr. PAYNE. They had the capital stock, \$15,000.

Mr. McKENZIE. You bought the whole concern?

Mr. PAYNE. Yes, sir; for \$10,000, two-thirds of the stock you

Mr. McKENZIE. They simply sold you two-thirds of the stock the concern for \$10,000?

Mr. PAYNE. That is it exactly.

Mr. McKENZIE. You had been the owner therefore of one-third the capital stock?

Mr. PAYNE. Yes, sir. We had been running a year or two, but we had the stock intact.

Mr. McKENZIE. Did you pay these men for their stock at that time?

Mr. PAYNE. I gave them a note.

Mr. McKENZIE. Have you got your note with you?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. You have no objection at all to letting us see it?

Mr. PAYNE. Not at all, here it is [indicating].

Mr. McKENZIE. You will have no objection to having a copy that entered in the record, will you?

Mr. PAYNE. Not at all.

(The note in question reads as follows:)

PETERSBURG, VA., June 19, 1917

Twelve months after date I promise to pay to P. W. Faulconer and Henry Rinehart ten thousand dollars, in full settlement of their interest in the Faulconer Lumber Company, with interest at 6%.

J. A. PAYNE, J.

Witness:

W. N. BODEE.

Paid in full, Jan. 1, 1919.

P. W. Faulconer.

(No indorsements on the back.)

Mr. McKENZIE. At the time that you bought these gentlemen out had Mr. Rinehart entered into contracts with the Government to construct the camp?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. He already had the contract?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. In the construction of that camp did Rinehart and Dennis buy any quantity of lumber from you or from the Payne Lumber Co.?

Mr. PAYNE. I sold them a good deal of lumber.

Mr. McKENZIE. Have you any idea how much? Can you give us an estimate?

Mr. PAYNE. I can tell you possibly from this statement right here [indicating]. I sold them about \$75,000 worth of lumber.

Mr. McKENZIE. How long after the completion of the Rinehart-Dennis contract did they buy you out in regard to this lumber company?

Mr. PAYNE. January 1, 1918.

Mr. McKENZIE. When that was done, your note was simply turned back to you, was that it?

Mr. PAYNE. Yes, sir. I did not have funds to carry the business on, and I thought it would be a good idea to give them back their note, so they came back into the business.

Mr. McKENZIE. This note represents the only consideration that passed either from the firm to you or from you to the firm, when you bought the other two men out?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. Do you still hold an interest in that lumber company?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. One third interest?

Mr. PAYNE. Yes, sir; when they canceled that note, we went back on the same basis as we were before the war.

Mr. McKENZIE. About what per cent of profit, Mr. Payne, did you make on the lumber that you sold?

Mr. PAYNE. About 10 per cent.

Mr. McKENZIE. Did you retain any of that per cent for your own use?

Mr. PAYNE. Yes, sir; we represented the stock invested in the company.

Mr. McKENZIE. I understand, then, that that was simply left in the business.

Mr. PAYNE. Yes, sir; we left that money in the business.

Mr. McKENZIE. And when they returned this note to you, of course they became joint owners in that profit that had been accumulated while you were carrying on this business, and that is represented here by these figures that are shown at the bottom of the last page of the financial statement of the John A. Payne Lumber Co. This statement is dated December 31, 1917, and shows the net undivided profit of \$6,683.61?

Mr. PAYNE. Yes, sir; that is correct.

Mr. McKENZIE. And those two gentlemen, who entered into this contract with you, and for which you gave this note as consideration, and which note was returned to you after the confirmation of the

construction of Camp Lee; these two men became participants in this undivided sum represented in this report?

Mr. PAYNE. Yes, sir.

Mr. McKENZIE. Do you desire to question the witness, Mr. Doremus?

Mr. DOREMUS. No, sir.

Mr. McKENZIE. That is all.

(The witness withdrew.)

### TESTIMONY OF MR. WILLIAM HENRY HARRISON, JR., PETERSBURG, VA.

(The witness was sworn by the chairman.)

Mr. McKENZIE. Mr. Harrison, please state your full name to the reporter.

Mr. HARRISON. William Henry Harrison, jr.

Mr. McKENZIE. Where is your home?

Mr. HARRISON. Petersburg, Va.

Mr. McKENZIE. I will ask you, Mr. Harrison, whether or not you had any subcontract for construction work at Camp Lee. under Rinehart & Dennis?

Mr. HARRISON. I was associated with Mr. R. L. Thomas, in the plumbing and heating contract at Camp Lee, Va.

Mr. McKENZIE. Just tell us, Mr. Harrison, how you got into the work, and what your profits were to be.

Mr. HARRISON. Can I tell you in my own words?

Mr. McKENZIE. Yes; just go ahead and tell your story in your own words.

Mr. HARRISON. Rinehart & Dennis were the general contractors located at Charlottesville, Va., and when they came to Petersburg they brought with them their subcontractors, Mr. R. L. Thomas for the plumbing and heating work, and Mr. Briggs, for the electrical work. When they arrived at Petersburg, and the news spread that all this work had been let to Charlottesville people, our chamber of commerce, and other associations, objected. They made their objections to Mr. Rinehart, the president of the Rinehart & Dennis Co. through the Constructing Quartermaster, Maj. Cole. Maj. Cole went to the Rinehart & Dennis Co. and he informed me that he told them that he would like very much to have a Petersburg firm do some of the work.

Now, in years previous I had been a traveling man and was acquainted with Mr. Thomas and other subcontractors under him. They looked me up. I had been located in Petersburg. They wanted to know what my terms would be for entering into that subcontract for the plumbing and heating. I, having been an experienced steamfitter and a mechanical engineer, having done much large work over the eastern part of the United States, thought that these men, having been in the business perhaps knew me by reputation, and they looked me over and I agreed that I would be willing to accept as my profit, or profit of the W. H. Harrison Co., 1 per cent of the gross price of the contract, and for that I would give it my personal time. I was in the hardware and implement business in Petersburg, and I felt that my company could sell a great deal of hardware that would be needed. I told these contractors, and I thought at the time that the

would be ample remuneration for my services down there. So I made a contract with Mr. Thomas, jointly, with Rinehart and Dennis, that I would enter into that subcontract with Mr. Thomas and give my entire time and attention to it for 1 per cent of the gross amount of the job. The amount of the job was \$1,308,159.46, and I received 1 per cent of that and did the job.

Mr. McKENZIE. What was your fee?

Mr. HARRISON. One per cent.

Mr. McKENZIE. What did that amount to?

Mr. HARRISON. \$13,081.59.

Mr. McKENZIE. What was the total fee?

Mr. HARRISON. \$91,000; 7 per cent of the \$1,308,159.46. To be exact, the total fee was \$91,571.15. That was 7 per cent of the gross amount. We had a contract with Rinehart and Dennis which was confirmed by Washington. Washington said it was a percentage contract—a scale contract. If your work amounted to so much—that is, if it amounted to a certain percentage—you would receive a certain per cent; if it amounted to a larger sum, you received less; and if it amounted to a smaller amount, you received a greater per cent. Now, our contract came within the 7 per cent amount, amounting, to \$1,308,000, roughly speaking, and our fee was approximately \$91,000, and I personally received 1 per cent of the total amount, or one-seventh of the fee.

Mr. McKENZIE. And the remainder of it went to Mr. Thomas?

Mr. HARRISON. Yes, sir.

Mr. McKENZIE. The man who originally had the subcontract?

Mr. HARRISON. Yes, sir.

Mr. McKENZIE. Did you or Mr. Thomas have to contribute any part of your fee to any other person?

Mr. HARRISON. I can not answer for Mr. Thomas. I can answer only for myself. I got all that was coming to me, 1 per cent. It was a small amount, but I got that 1 per cent.

Mr. McKENZIE. Would you care to express your opinion on that matter?

Mr. HARRISON. I got all that was promised me, sir. If I made a bad bargain it was nobody's funeral, and I got all that was promised me.

Mr. DOREMUS. Who was Thomas?

Mr. HARRISON. What do you mean?

Mr. DOREMUS. Was he a Petersburg man?

Mr. HARRISON. No, sir; he was not.

Mr. DOREMUS. Where is his home?

Mr. HARRISON. Charlottesville, Va.

Mr. DOREMUS. This subcontract, as I understand it, was for the plumbing and heating, and it was made with Mr. Thomas.

Mr. HARRISON. No, sir; it was made with Thomas without the confirmation of Washington, and Mr. Thomas arrived in Petersburg supposedly with the contract confirmed by Washington, and there was strong objection to this due to the fact that it was a Charlottesville man that had the contract, whereas it should really have gone to a Petersburg firm. Consequently Mr. Thomas drew me into it, knowing that I was a Petersburg man and had experience and was able to do this contract. Having heard of me, he looked me up and agreed to

give me 1 per cent of the total expenses to come down there and do the work.

Mr. DOREMUS. Then the subcontract stood in the name of Thomas?

Mr. HARRISON. No, sir. The subcontract was confirmed by Washington to W. H. Harrison & Co. and R. L. Thomas. W. H. Harrison standing in prominence because they were Petersburg people and it pleased Washington.

Mr. DOREMUS. And because of your long experience in the plumbing and heating business Thomas looked you up and offered to give you 1 per cent of the cost of the job if you would go down there and see that the work was properly done under your personal supervision?

Mr. HARRISON. Yes, sir; you have that correct. In addition to that, you must understand, though, that the contract I had was a contract between Mr. Thomas and myself in regard to this 1 per cent deal.

Mr. DOREMUS. Who was Maj. Coe?

Mr. HARRISON. He was the constructing quartermaster, representing the United States Government at the beginning of this contract. He was there at the beginning, and only at the beginning.

Mr. DOREMUS. Was he the man who awarded the subcontract for the plumbing and heating?

Mr. HARRISON. I do not know that that is exactly correct for me to say that he awarded the contract. I think that perhaps he negotiated it with us and passed it on to Washington and with his recommendations, and Washington wired back such a telegram as this: "this telegram perhaps, gentlemen, will give you more information than you think." Washington said this: "If the contract made with Messrs. Harrison and Thomas is subject to all the provisions of the general contract, it meets with our approval."

Mr. DOREMUS. The reason why I asked you this question is that Maj. Edwards was the constructing quartermaster for over a month.

Mr. HARRISON. Yes, sir.

Mr. DOREMUS. Before Maj. Coe had charge?

Mr. HARRISON. Yes, sir.

Mr. DOREMUS. I want to find out, if I can, the name of the constructing quartermaster who had actual charge of the letting of the subcontract for the plumbing and heating.

Mr. HARRISON. I do not know that. I really believe that Maj. Edwards, at that particular time.

Mr. McKENZIE. Mr. Doremus suggested one or two questions to my mind that I would like to ask you, Mr. Harrison. You speak about the people of Petersburg being dissatisfied on account of the emergency construction committee awarding the contract to Charlottesville contractors.

Mr. HARRISON. Yes, sir.

Mr. McKENZIE. Did you have in mind in Petersburg any others who were competent and qualified and responsible and who have taken these contracts?

Mr. HARRISON. Well, it is embarrassing for me to tell you about my own self.

Mr. McKENZIE. I mean other contractors, including yourself and others, men of Petersburg. Did you have men in Petersburg who were qualified and responsible to do this work that could have done this work and who were desirous of doing this work?



Mr. HARRISON. I can only answer for myself when I tell you that I took the plumbing and heating contract and relieved Mr. Thomas entirely of the engineering or the laying out of the job, and of the actual performance of the job, and in the batting average at Washington kept among all 16 cantonment contractors, I led the entire 16 by a 200 per cent batting average, and I was a Petersburg man.

Mr. McKENZIE. I want to ask you another question. You got 1 per cent?

Mr. HARRISON. Yes, sir.

Mr. McKENZIE. And who did the engineering? Who looked after this work. What did Mr. Thomas do?

Mr. HARRISON. Mr. Thomas?

Mr. McKENZIE. Yes; he got 6 per cent. What did Mr. Thomas do for which he was paid 6 per cent?

Mr. HARRISON. After the work was started and well under way, Mr. Thomas was a stranger to me. He simply knew me by reputation. Mr. Thomas was a very cold business man. After Mr. Thomas and I had been associated together for 30 days he realized that I could handle the work perhaps, according to his notion, better than he could, and he let me continue with the work and he got another contract down there.

Mr. McKENZIE. Where at? At that same camp?

Mr. HARRISON. Yes, sir; he got the sheet-metal contract. He left me entirely to perform the plumbing and heating contract.

Mr. McKENZIE. Do you know anything about the size of the sheet-metal contract?

Mr. HARRISON. No; I can only tell by hearsay, and I would not want to repeat that.

Mr. McKENZIE. Another thing Mr. Harrison, that we are somewhat interested in. You stated that one of the considerations that led you to accept this contract at 1 per cent was the fact that you were in the hardware business and thought that perhaps you could sell a considerable amount of goods to the contractors. How did you come out on that?

Mr. HARRISON. I sold less than any other merchant in the city of Petersburg, and I lost a great deal of money by going to the camp and accepting the proposition that I did. But, as I say, I am not now "bellyaching" about the deal. I am satisfied that I made the bargain myself.

Mr. McKENZIE. Have you in mind how much you did sell on this contract?

Mr. HARRISON. Yes, sir; I can tell you.

Mr. DOREMUS. I also am anxious to find out what Mr. McKenzie is asking about.

Mr. HARRISON. We sold practically nothing to them. Rinehart & Dennis had, I believe, some sort of an agreement by which they purchased from the Government. Perhaps they had an arrangement with the Crane Co., that they were to buy these goods at 5 per cent. Cost plus 5 per cent, plumbing goods. My firm did not handle plumbing supplies.

Mr. McKENZIE. As a matter of fact you did not get anything in that line?

Mr. HARRISON. All we got was when they needed a few screws or something like that; I consider that my company lost considerable because of that deal.

Mr. McKENZIE. About what time was this contract completed?

Mr. HARRISON. February 14, 1918.

Mr. McKENZIE. And you did not get your final pay, the balance of your pay, until May 5, 1918?

Mr. HARRISON. I am unable to answer that question. After this work was done, after the 14th of February, I personally got from the Government a subcontract at Old Hickory, Tenn., the big smokeless powder plant at that place, at Nashville, and as Mr. Thomas has paid me all that was coming to me, I left, and I suppose the balance of the fee to be received was paid to Mr. Thomas. All I can say is that I received my 1 per cent, and I went about my business.

Mr. McKENZIE. That leads up to this question that I want to ask you.

Mr. HARRISON. I will be glad to answer any question that you may see fit to ask me. I want to help the Government all I can in any way possible.

Mr. McKENZIE. Was it while you were there that Mr. Faulconer came to you with a voucher, or a voucher was sent down to you; this is in regard to the check for the last \$40,000, the balance, on account? Was that brought to you by Mr. Faulconer, for your indorsement?

Mr. HARRISON. No, sir; it was not. Mr. Faulconer received the \$40,000 in my absence, and I understand the matter, not being interested at all, that is in the disposition of the \$40,000, because I had been paid in full for my services, Mr. Faulconer acted as messenger for Mr. Thomas. Mr. Faulconer got the \$40,000, receipted for it, and delivered it to Mr. Thomas. That is, of course, all hearsay, because I had received mine, but anyhow that check was deposited to the credit of Thomas & Harrison, but was turned over to Mr. Thomas.

Mr. McKENZIE. Do you know whether that check was made payable to you and Mr. Thomas jointly, and if so would it have been necessary for you to have put your indorsement to it?

Mr. HARRISON. At that time I wrote to the Petersburg bank that no money was to be checked out of the Thomas & Harrison account unless it contained my signature. As a matter of fact that check was not taken to the Petersburg bank. It was taken by Faulconer to the Charlottesville bank and supposedly delivered to Mr. Thomas.

Mr. McKENZIE. And you never did indorse that check?

Mr. HARRISON. No, sir; I never knew anything about it, except that I was told by the auditor at Camp Lee that it had been delivered to Mr. Faulconer.

Mr. McKENZIE. Do you know by whom it was indorsed?

Mr. HARRISON. No, sir; I know nothing about it.

Mr. McKENZIE. By whom was that check drawn?

Mr. HARRISON. I think by Capt. Ira Hooks, he was the disbursing officer, I think.

Mr. McKENZIE. You never saw the check?

Mr. HARRISON. No, sir; I might make a few suggestions. I would be entirely out of my line. My name has never been connected with any company. I have done a great deal of work over

the United States and nobody has ever questioned my honesty or the honorable dealings before this. Now if I might suggest that I am willing to do everything I can to keep my name clean I might suggest that you gentlemen get in touch with Mr. E. H. Abadie, now Maj. Abadie at the Shipping Board, for this reason: every record that I had was destroyed one year ago to-day, January 13, 1919, by a fire through which I lost \$45,000; but before that fire I had made a complete record of the cost of every individual building on this job, and turned them in to Maj. Abadie.

In speaking to you gentlemen, I am speaking entirely from memory except from a little note book that I have here, and I think that if you will get in touch with Maj. Abadie, that he might assist you in many ways in checking up the cost of this contract and my only idea is that after this investigation is over I do not want anything to come from that that will cast a blot on the W. H. Harrison & Co. firm, which is to-day the oldest business in the State of Virginia; 125 years old. And to this day there is not a blot or stain upon the honor, integrity, or the dependability of the firm, and my association with Charlottesville people must not lead me into any such thing as this.

Mr. McKENZIE. I will say, Mr. Harrison, that it is not the purpose of this committee to impugn your character or motive or anything that you have done, but in going through the record we ran across your proposition, and we have simply been asking you to explain, so that we will understand; and it was not for the purpose of impugning you or anybody else, but it is a matter, of course, as you can see, that anyone taking it up would ask the question, What authority had this man to sign this check?

Mr. HARRISON. No doubt you will find many things there that you will have a right to criticize. And what I want to do, and I hope you will call me back a dozen times if necessary, before you say one word that will cast any reflection on the W. H. Harrison firm, of Petersburg, Va. I am doing the best that I can from memory. My record has been entirely destroyed. I brought a newspaper with me to show you whether my records actually were destroyed, and I regret exceedingly that I have nothing more than this little note-book to assist me.

Mr. McKENZIE. Personally I feel that I would like to congratulate you as one man who rendered service to the Government at a fee that was very reasonable. It strikes me that while perhaps others were getting liberal fees for their services, you were rendering services at what I would call a very reasonable fee.

Mr. HARRISON. Mr. McKenzie, that was bad business dealing on my part when everyone else on the job was getting rich.

(The witness withdrew.)

#### TESTIMONY OF MR. R. L. THOMAS, CHARLOTTESVILLE, VA.

(The witness was sworn by the chairman.)

Mr. McKENZIE. Please give your name and address to the reporter.

Mr. THOMAS. R. L. Thomas, Charlottesville, Va.

Mr. McKENZIE. What is your business, Mr. Thomas?

Mr. THOMAS. My business is plumbing and heating.

Mr. McKENZIE. How long have you been engaged in that business?

Mr. THOMAS. About 30 years.

Mr. McKENZIE. Have you a firm or corporation, or do you carry on a business as an individual.

Mr. THOMAS. My business was a corporation, but I am in business as the R. L. Thomas Co. now. Known commonly as R. L. Thomas.

Mr. McKENZIE. You had the subcontract at Camp Lee, I believe.

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. What was the nature of that contract. Mr. Thomas?

Mr. THOMAS. The subcontract that I had down there was for sheet-metal work. I was in the sheet-metal works for some time. I was in two jobs there. I had a contract down there for the sheet-metal work.

Mr. McKENZIE. What was the amount involved in that contract?

Mr. THOMAS. That contract amounted to practically \$300,000.

Mr. McKENZIE. Did you have that on the cost-plus contract?

Mr. THOMAS. No, sir; I did not.

Mr. McKENZIE. That was a straight-out contract?

Mr. THOMAS. Yes, sir; a flat contract.

Mr. McKENZIE. How did you come out on it?

Mr. THOMAS. Well, frankly I can tell you that I think I lost somewhere between \$30,000 and \$35,000. I had a flat contract for it.

Mr. McKENZIE. That was one place where the Government made a little money?

Mr. THOMAS. The Government certainly did.

Mr. McKENZIE. Did you have anything to do with the contract for the plumbing and heating?

Mr. THOMAS. I had the contract for the plumbing and heating also.

Mr. McKENZIE. You got the original subcontract, did you not, and then took in Mr. Harrison?

Mr. THOMAS. Yes, sir; it was a percentage cost-plus job.

Mr. McKENZIE. Was the contract awarded to you originally?

Mr. THOMAS. The contract was not awarded to me, but it was really given to me with the understanding, like this, Mr. Rinehart said to me, "I think you had better, Mr. Thomas, get some one at Petersburg to go in on the work with you." He stated that he thought I would not look right to go into Petersburg and have all the work done by Charlottesville men. I said, "All right, if you feel that way I will get somebody to go in with me." I was sort of acquainted with Mr. Harrison. I went to see him about this contract. As Mr. Harrison was very glad to go into it, and he first stated that he would go into it with me provided we would use his firm name and so the contract was awarded to W. H. Harrison & Co. and R. L. Thomas. He said he would be perfectly satisfied to go in on the contract, and that probably he could sell quite a good lot of goods out of it. We made no allowance, however, for that. We made a contract between ourselves, W. H. Harrison & Co. and myself, in which W. H. Harrison was to receive one-half of 1 per cent. After that, and before very long, I did not think that that would be the right thing to do, and I said to Mr. Harrison, I will make it 1 per cent of the contract. That was the gross contract.

Mr. McKENZIE. What percentage did you get?

Mr. THOMAS. We were getting 7 per cent.

Mr. McKENZIE. What did you have to do with that contract personally, as far as you are concerned?

Mr. THOMAS. What did I have to do with it? Why, I had this much to do with it, that I had to organize and get the men to go there, and I quit my business in Charlottesville entirely. I took all my men that I had in Charlottesville, estimators and all, and we practically almost closed down at Charlottesville, and we did not do any business at Charlottesville at that time. We went down to Petersburg and organized and got the thing going. My men were organized, and I did not get the contract for the sheet-metal work until nearly three months after that. That was the last thing I did there.

Mr. McKENZIE. There was a good deal of discussion before this committee as to who were there on the contract. Just what overhead did you have down there?

Mr. THOMAS. The overhead down there on the plumbing and heating contract, you mean—were practically all clerks.

Mr. McKENZIE. Can you give us from memory about how many men you had there, superintendents and foremen, that were paid by the Government, and also men that were paid out of your own funds?

Mr. THOMAS. We did not have anybody there. The Government paid all that were on that contract.

Mr. McKENZIE. And you got a straight 6 per cent?

Mr. THOMAS. Seven per cent.

Mr. McKENZIE. Mr. Harrison got the 1 per cent and you got the remaining 6 per cent?

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. When did you complete the contract, Mr. Thomas?

Mr. THOMAS. To tell the truth, I do not really know. It was done during that cold weather, in January or February. I think we were there at that time in the year 1918.

Mr. McKENZIE. Do you remember when you got your last payment?

Mr. THOMAS. I do not recall it exactly from memory; but my last payment was a check for \$40,000.

Mr. McKENZIE. There is an exhibit that is taken from the War Department record. That represents the last payment you received [indicating and handing paper to witness].

Mr. THOMAS. Yes, sir. That is the last payment that I received.

Mr. McKENZIE. I will read this receipt into the record. It is as follows [reading]:

CAMP LEE, VA., May 3, 1918.

Received of Rinehart & Dennis Co. (Inc.) the sum of \$40,000, account part payment of fee due R. L. Thomas & W. H. Harrison Co., subcontractors, for plumbing and heating.

R. L. THOMAS & W. H. HARRISON Co.,  
By P. H. FAULCONER, Agent.

Mr. McKENZIE. What was the total amount of your fee?

Mr. THOMAS. I think it was somewhere around ninety-one thousand and odd dollars.

Mr. McKENZIE. And the last payment was \$40,000?

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. By whom was the check drawn, did you know, for that \$40,000?

Mr. THOMAS. Why, I suppose Rinehart & Dennis. I did not pay much attention to it. But I know that the check was put in the bank to my credit.

Mr. McKENZIE. Which bank do you do business with?

Mr. THOMAS. The National Bank at Charlottesville.

Mr. McKENZIE. To whom was that check made payable?

Mr. THOMAS. Payable to W. H. Harrison & Co. and R. L. Thomas.

Mr. McKENZIE. Do you know whether or not Mr. Harrison ever indorsed that check, or would it have been necessary for him to have indorsed it?

Mr. THOMAS. It would have been necessary for him to do it, but he was in Atlanta. He worked down there and was up very little, and after we finished our contract he was in Atlanta, and I waited around Petersburg for probably a month or two months trying to get this money, and could not get it, and I asked Mr. Faulconer to collect this money for me down at the camp, and he did it.

Mr. McKENZIE. Mr. Faulconer then indorsed or signed the vouchers for the receipt of the check?

Mr. THOMAS. I think he did.

Mr. McKENZIE. For the \$40,000? I am speaking now of the receipts which we inserted in the record a few moments ago, and which you looked at and identified. [Hand paper again to witness.]

Mr. THOMAS. That is right.

Mr. McKENZIE. The total fee paid on this job you have right in front of you, and it amounted to how much?

Mr. THOMAS. Supposedly \$91,157 and some odd cents.

Mr. McKENZIE. And out of that Mr. Harrison received how much?

Mr. THOMAS. \$15,081.59.

Mr. McKENZIE. That would leave a balance coming to you \$78,489.54?

Mr. THOMAS. Yes, sir; that is correct.

Mr. McKENZIE. Now, what disposition did you make of that amount of money, Mr. Thomas?

Mr. THOMAS. The disposition I made of that amount of money was this: I went about \$30,000 or \$35,000 in the hole on that metal contract, and I drew on this account at various times, \$10,000 and \$12,000 at a time. And I took that money and I paid the bills. At one time I thought that I would have to quit the metal contract, and not go through with it at all. The balance of the money I received in all amounted to about \$33,000. That was everything I got at Camp Lee. That was all I had left out of it.

Mr. McKENZIE. Did you pay out any of it for insurance or any equipment?

Mr. THOMAS. Mr. Harrison kept the expenses. I suppose it amounted to about \$2,000 or \$3,000, which also came out of the \$91,000.

Mr. McKENZIE. Then the entire fee of \$78,000 came to you?

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. And you retained it?

Mr. THOMAS. Practically the \$78,000 less the little operation expenses.

Mr. McKENZIE. And you retained it for your own benefit?

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. And no one participated in that fund with you?

Mr. THOMAS No, sir.

Mr. McKENZIE. You were not required to make any contribution to the Rinehart & Dennis Co. in consideration of your receiving the contract, or anything of that kind?

Mr. THOMAS. No, sir.

Mr. McKENZIE. It was a straight-out 7 per cent contract, so far as you were concerned, with the Rinehart & Dennis Co. when you went into it later on?

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. You took Mr. Harrison in and he received 1 per cent, and he superintended the work?

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. The Government paid you for all your overhead?

Mr. THOMAS. Yes, sir.

Mr. McKENZIE. And you got a straight, clean fee?

Mr. THOMAS. No, sir; we did not. They did not pay for our board at the hotel. They did not pay all our expenses. You would call that overhead, wouldn't you? I do not know about it, but I want to say that they did not do that.

Mr. McKENZIE. I presume that would be living expenses that every man has to bear in every line of business which he is engaged in.

From whom did you buy your sheet metal to put on the buildings?

Mr. THOMAS. I bought from everybody in the country. I could not say, in fact my records, all I had, and all my tools that I had down there, amounting to a good many dollars, they were in Mr. Harrison's store. And Mr. Harrison had all of my records; everything was in the store, and when the store was burned everything was lost, and I did not get one cent insurance or anything on them.

Mr. McKENZIE. About how much of this sheet metal did you purchase from Harrison & Co.?

Mr. THOMAS. I do not think I purchased anything like that from him. I really do not know how much I purchased from him. I generally purchased everything I possibly could from them; whatever I needed.

Mr. McKENZIE. What would be your best guess as to what you bought from Harrison & Co.?

Mr. THOMAS. I would not like to guess.

Mr. McKENZIE. Would it approximate \$10,000?

Mr. THOMAS. No, sir; I do not think it would.

Mr. DOREMUS. Mr. Thomas, this plumbing and heating contract was with the Rinehart & Dennis Co., general contractors on the job?

Mr. THOMAS. They gave me the contract; yes, sir.

Mr. DOREMUS. And you looked to Rinehart & Dennis Co. for your pay?

Mr. THOMAS. Yes, sir; I looked to them for the pay for the work done, sure.

Mr. DOREMUS. You were holding Rinehart & Dennis Co. responsible and not the Government? In other words you had no contractual relation with the Government as such; that is correct, is it not?

Mr. THOMAS. I had no direct contract with the Government, excepting through their agent, the Rinehart & Dennis Co.

Mr. DOREMUS. This contract was made by the Rinehart & Dennis Co. on one side and by the R. L. Thomas and W. H. Harrison & Co. on the other.

Mr. THOMAS. You are talking now, I presume, about the plumbing and heating contract? Yes, sir. I understand you; that is correct.

Mr. DOREMUS. I am not quite clear, Mr. Thomas, as to why the receipt of this \$40,000 check from Rinehart & Dennis Co. is signed by Mr. Faulconer. I think you explained it, but I did not quite get clear in my mind your interpretation of it.

Mr. THOMAS. I had been down there some time, and I lost a great deal of time down there, and I left, and I asked Mr. Faulconer to get it for me. Mr. Harrison was not there and I told Mr. Faulconer that I would be glad to have him get it for me.

Mr. DOREMUS. The fact that you were held up on this last payment would be indicated by the fact that the receipt is dated May 3, 1917.

Mr. THOMAS. Yes, sir; that is correct.

Mr. DOREMUS. Are we to assume that the check for \$40,000 was received by Mr. Faulconer at your request?

Mr. THOMAS. Yes, sir.

Mr. DOREMUS. And after Mr. Faulconer received the check, what did he do with it?

Mr. THOMAS. He turned the check over to the bank and had it put to my credit.

(The witness withdrew.)

**TESTIMONY OF MAJ. TRACY S. NEWTON, UNITED STATES ARMY,  
ACCOUNTING DIVISION OF THE CONSTRUCTION DIVISION, WAR  
DEPARTMENT.**

(The witness was sworn by the chairman.)

Mr. McKENZIE. Major, will you please give your full name to the reporter?

Maj. NEWTON. Maj. Tracy S. Newton, accounting division of the Construction Division, War Department.

Mr. McKENZIE. How long have you been in the Army, Major?

Maj. NEWTON. I have been in the Army since October 16, 1917. I have been with the Construction Division since July 31, 1917.

Mr. McKENZIE. What was your position before you entered the Construction Division?

Maj. NEWTON. Accounting business, a business accountant.

Mr. McKENZIE. At what grade did you enter the service?

Maj. NEWTON. As field auditor at Camp Wheeler.

Mr. McKENZIE. When did you get your first commission?

Maj. NEWTON. On October 16, 1918.

Mr. McKENZIE. And you were commissioned a major?

Maj. NEWTON. Yes, sir.

Mr. McKENZIE. And that is the only commission that you have?

Maj. NEWTON. Yes, sir.

Mr. DOREMUS. Major, on page 2273 of the stenographer's record in the testimony of Mr. Wessen, it is stated, "This does not include



fees paid subcontractors, of which no record is maintained, despite the fact that hundreds of subcontractors participated." What can you say to us about that?

Maj. NEWTON. Our records of final settlement statements that we have on file, which you gentlemen had access to, shows the cost of the subcontracts. That is the costs under the subcontracts and also the fees paid the subcontractors. We have all that in our files.

Mr. DOREMUS. On page 2276 of the record Mr. Wessen states, in answer to a question about the Bryce Building Co. and the figures in connection with the same, "I received them and had them verified by Maj. Newton of the Accounting Division." Is that your understanding of the situation?

Maj. NEWTON. At the time that Mr. Wessen asked me, he stated to me that he would like to get a list of contracts and the fees paid in connection therewith. He knew as well as we all knew that to go through the final settlement statements would require quite a little of his time in digging out the figures. I explained to him about our contract tickler cards, which were used quite a bit. We had one card for each cost-plus contract. Those cards were used just for the purpose of ready reference to our files, but on each one of those our file clerk, in filing the final settlement statements, had noted the fees paid.

We had never considered that those were an accounting record, but merely as a kind of memorandum record. We never really relied on it for compiling the accounting figures or statistics, although the figures are reasonably correct. The tickler system answers the purpose for which it was put in. In that particular case it happened that that part which showed the maximum fee showed that a lesser amount was paid, this was an error resulting when the clerk took the information off the contract.

Mr. DOREMUS. Mr. Wessen stated, on page 2278 of his testimony, that you told him the records were correct from which he compiled these figures. I wish you would tell the committee what statement, if any, you made in regard to that matter.

Maj. NEWTON. As I just said, I explained to Mr. Wessen the use to which we had put the tickler cards. I thought it would give him practically the information that he wanted, and he sent his assistant to work on the cards. I do not know personally how long he worked on the cards. I know that when he got through taking what information he desired to take off the cards he did not report to me, and I never certified as to the correctness of any figures that he had taken off the cards, and all the figures were taken off by Mr. Wessen's representative.

Mr. DOREMUS. Have you told us, as far as you know, all that you told Mr. Wessen, as far as the records are concerned?

Maj. NEWTON. As far as I can remember.

Mr. DOREMUS. Have you looked at the exhibits introduced by Mr. Wessen, presented at our last hearing?

Maj. NEWTON. Yes, sir.

Mr. DOREMUS. What was the total cost of the 115 projects, enumerated on the exhibits prepared by Mr. Wessen, in which he states that the maximum fee was earned?

Maj. NEWTON. I have had these costs compiled for this purpose, and in the first list, which actually contains 112 cases, the total cost is \$276,777,354.41.

Mr. DOREMUS. Now, state whether on that entire volume of business the maximum fee was earned.

Maj. NEWTON. The maximum fee applied in each of those 112 cases.

Mr. DOREMUS. Now, Maj. Newton, can you tell us what was the total construction cost on the 315 projects enumerated on the exhibits prepared by Mr. Wessen, in which it is stated that the maximum fee was not reached.

Maj. NEWTON. The total cost in the case of the 315, which is really 319, reached \$224,723,442.01.

Mr. DOREMUS. Are you in a position to tell us, Major, how many of the 315 contracts that you have just referred to, in which the work was advanced or curtailed because of the armistice?

Maj. NEWTON. I am not in a position to give you that information, although there was a good number out of those 319 where the work was curtailed and advanced and the contracts were not allowed to run as made.

Mr. McKENZIE. If I remember in Mr. Wessen's testimony correctly, he stated that all the figures relating to the construction were subject perhaps to some correction.

Maj. NEWTON. That is correct.

Mr. McKENZIE. And that he did not insist that they were absolutely correct, but that they were the best available figures that he could procure.

Now, on the first question asked by Mr. Doremus, "On page 27, of the stenographer's notes, in the testimony of Mr. Wessen, it is stated, 'This does not include fees paid subcontractors, of which a record is maintained despite the fact that hundreds of such contractors participated.'" What have you to say about that? You state that those fees are included.

Maj. NEWTON. As a part of the cost of the work. They were not shown in detail on these particular tickler cards.

Mr. McKENZIE. Those are the cards that Capt. Wessen was examining to find the detailed information. But the detailed information relative to the subcontractor's fees did not appear on those cards?

Maj. NEWTON. It does not.

Mr. McKENZIE. And those are the cards to which you referred Capt. Wessen for the information that he was seeking, were they not?

Maj. NEWTON. He did not request information on the subcontractors if I remember right.

Mr. McKENZIE. The only point involved is this: It does not affect the total cost of the project in any event, but the only thing that would be effected by this finding of Capt. Wessen, through the failure of the cards to disclose the information, would be that it does not show the total amount of fees received by the men holding the original contract; is not that true?

Maj. NEWTON. It does; yes, sir; it does show the fees received by the men holding the original contract, but not the fees received by the subcontractors.

Mr. McKENZIE. Now, then, Major, you, of course, can furnish the committee with that information which Mr. Wessen has failed to furnish us, showing the fees of the subcontractors in the case of the contracts described in those various exhibits. You can do it!

Maj. NEWTON. Yes, sir.

Mr. McKENZIE. I will limit my request to the 16 original cantonments. How long will it take you to furnish the information in regard to the fees of the subcontractors on the 16 original cantonments. That would not be a very difficult task.

Maj. NEWTON. We have nearly all that information on file in our office. There are, however, a few cases in which it will be necessary to refer to the records in our warehouse at Baltimore, and in some cases they are not yet filed.

Mr. McKENZIE. You could furnish the contracts in perhaps a week?

Maj. NEWTON. I would want at least two weeks on account of the special cases.

Mr. McKENZIE. And if you can get this information you will do so?

Maj. NEWTON. Yes, sir.

Mr. McKENZIE. In the total amounts given by you on the two different propositions submitted by Mr. Wessen, of the 112 or 115 contracts on the one hand and the 319, you say, on the other, was the freight included in both of those totals?

Maj. NEWTON. The freight was not included.

Mr. McKENZIE. Are there any other items which were paid by the Government that are not included?

Maj. NEWTON. These items included only the expenditures under the authority of the contract. None of the Government overhead is included in these figures.

Mr. McKENZIE. In order to make that clear so that we can understand it, can you tell us offhand just what articles, material, labor, and so on, are furnished under the contract? Just what would the contract cover? In that way, of course, you will give us the information of what these totals included.

Maj. NEWTON. The figures will include the entire cost of the labor, hired by the contractor. It will also include the entire cost of the materials used by the contractor under his contract, and in cases where the Government furnished materials on which the contractor is allowed a fee under his contract, that is included as part of his cost. In cases where the general contractor did engineering work those amounts are included. It does not include cases where we have engineering contracts out of the construction contracts.

Mr. McKENZIE. Have you any idea, Major, how many contracts here were in which the engineering was not included?

Maj. NEWTON. Why the engineering services, to my recollection, in nearly every case were taken care of under a separate contract.

Mr. McKENZIE. And those were not included?

Maj. NEWTON. Not included as a part of the cost of the construction contract.

Mr. McKENZIE. And what do you understand to be covered by the so-called no-fee items. Just what comes under the head of non-fee items, besides freight and engineering?

Maj. NEWTON. In the cases where the contractor pays freight and express that is a non-fee item, as a general thing all freight and express is accepted, but there are cases where he has to pay and where he does, he is reimbursed and it is a no-fee item. In case of losses allowed under the contract, that is a non-fee item.

Mr. McKENZIE. Neither of those will appear in those statements.

Maj. NEWTON. They appear in those statements; yes, sir.

Mr. McKENZIE. But expenditures of the Government in connection with the administration of the contracts are not a part of this cost. Just tell us what those are.

Maj. NEWTON. Those items include the expenses of the field auditor's organization, the Government auditing charges.

Mr. McKENZIE. Are there any other?

Maj. NEWTON. They include the expense of the Construction Quartermaster's Office.

Mr. McKENZIE. And those are not included in those totals?

Maj. NEWTON. They are not included; no, sir.

Mr. McKENZIE. What would be your estimate of those last items? You can give it in one sum if you wish.

Maj. NEWTON. I am not prepared to say. It is in the record regard to both Camp Sherman and Camp Grant.

Mr. McKENZIE. Can you give us an estimate of the freight and railroad expenses?

Maj. NEWTON. No, sir; I am not prepared. I could get figures that are nearly approximate, but I am not prepared to hand to give them to you.

Mr. McKENZIE. Can you give an estimate of the engineering expense?

Maj. NEWTON. No, sir. I am not prepared to give an estimate without the figures.

Mr. DOREMUS. Just one more question, Major; I wish you would state whether all the items and places in article 2 of the emergency construction contract are included in the cost of the work as shown by the records of your office?

Maj. NEWTON. They are all included; yes, sir.

Mr. CHANTLAND. In connection with the above testimony I do to submit in evidence a memorandum dated July 10, 1919, from Maj. Herbert E. Smith, Quartermaster Corps, to Brig. Gen. R. Marshall, Chief of Construction Division, which is as follows:

CONSTRUCTION DIVISION OF THE ARMY,  
ACCOUNTING DIVISION.

July 10, 1919.

Memorandum.

To: Brig. Gen. R. C. Marshall, Chief of Construction Division

From: Maj. Herbert E. Smith, Quartermaster Corps.

1. Upon leaving the Construction Division there are some observations which I wish to leave behind to be taken for what they are worth. I trust they may be of some assistance in the future, as that is my only reason in making them.

2. The chief thing which reflects credit on the division from an accounting standpoint is the fact that there have been so few instances of fraud, collusion, or dishonesty. The cases which have developed are few and far between, and, considering the amount of money involved, are in many cases considerably fewer and smaller than would normally be expected in enterprises of a like nature. In fact, the total loss to the Government from this source is negligible when compared with the amount disbursed, when it is considered how difficult it was to obtain competent help, and it was necessary to hire men without investigating their character and qualifications in as thorough a manner as would have been done had it been time. There is no doubt that this resulted in taking on many incompetent and untrustworthy men, but it speaks well for the much greater proportion who rendered faithful and valuable service.

3. The chief cause for regret and dissatisfaction is that it is now impossible to draw up from official books and records a positive, accurate, and complete financial statement in totals and in detail showing:

- (1) Appropriations by Congress for construction;
- (2) Authorizations by the Secretary of War;
- (3) Allotments to the field;
- (4) Expenditures in the field; and
- (5) Balance on hand or returned to the Treasurer of the United States.

By "Expenditures in the field" (item (4)), I mean project accounts showing:

- (1) Authorizations;
- (2) Funds received;
- (3) Disbursement by authorization, both direct and through contractors;
- (4) Amounts transferred to Treasurer of the United States; and
- (5) Balance on hand.

In other words, the Construction Division should be able, just as in any large commercial enterprise, to prepare from its books of account complete and comprehensive financial statements at any time which would be susceptible of proof by means of a double-entry system of accounting.

4. For the purpose of this memorandum it can be considered that all construction work of the division is done under contracts signed by the Chief of the Construction Division. All these contracts upon being signed definitely become obligations of the Government, and the Construction Division is responsible for administering them and discharging the liabilities thereunder. The executed contract is the basis for all expenditures and the appropriations for the securing of funds; that is, the bases of the accounting for the division are the appropriations and the contracts. Therefore it is essential that the appropriations and contracts be made matters of accounting record. The receipt of these funds and disbursement thereof under contracts must also be matters of accounts record, as that is the only way this division can render an account of its trusteeship.

5. Accounting records and statements can not be supervised, checked, and corrected in the same manner as building and construction work. A building can be seen in the course of erection and an experienced man by visual inspection can readily determine if it is according to plans and done in a workmanlike manner, and if not so done correction can be made. Accounting records, however, are not to readily susceptible of control, but require an exhaustive and detailed audit to do any more than "hit the high spots," and unless absolute accuracy is obtained and proved the integrity of the entire record is open to question.

6. Another essential difference between construction and accounting is that the standards and plans of the former are matters of policy and judgment, while in accounting the law and regulations govern except in routine details, and uniformity is required and is not merely a thing to be desired.

7. For the reason outlined in paragraph 5 it is evident that a much different character of supervision is required in accounting from construction and for the reason in paragraph 6 it follows of necessity that there shall be only the source of authority for accounting procedure.

8. It is therefore my opinion that the lines of authority should correspond closely to what my understanding of the general scheme of the Army has been, which is that in matters of finance and accounts there is a direct line of authority from the accountable officer to the Quartermaster General or Director of Finance, whatever the line of communication may be. Similarly there should be a direct line of authority between the officers disbursing construction funds and the Chief of Finance and Accounts of the Construction Division.

9. Any permanent organization plan which does not include the requirements outlined in paragraph 3 will result in incomplete and deficient records and will not supply essential information. In order to control efficiently the financial matters in the manner referred to, the disbursing officers must be directly responsible in finance and accounts to the Accounting Division. It must not be left to the discretion of a supervising officer in the Washington office to decide whether instructions in finances and accounts shall be sent out or not.

10. The plan of having an accounting unit in each section of the Building Division would inevitably lead to lack of uniformity and conflicting instructions and rulings. Each section accountant would be independently referring

Mr. McKENZIE. What were the duties and functions of the Federal Trade Commission in relation to price-fixing or cost ascertainment of the articles and materials used by the Government during the war?

Mr. COLVER. In the beginning, and before the war was declared—that is, before the United States entered the war—the Federal Trade Commission was called on to consider, in the event that we did get into the war, what might be done with regard to purchasing or securing cheapest supplies, or suggesting the plans to control business, or to control measures. The first duty that was laid on us came. I think, in point of time through the President for the Secretary of the Navy. It was a request to ascertain the cost of producing certain kinds of coal—smokeless, bituminous coal of the better grade to be used by the Navy. A considerable amount of coal had been bought or had been taken over and ordered to be delivered at prices not fixed and the Federal Trade Commission was directed to make a cost finding. Not a price fixing at all, and perhaps very early in the record I should say that the Federal Trade Commission never had any price-fixing function whatever. The only instance in which the Federal Trade Commission ever fixed a price on anything was a thing entirely unrelated to the war, and it came about through the Federal Trade Commission as a referee, and not as a commission, and that was in regard to where they sat as a referee in consideration of the newspaper, in connection with the United States Circuit Court of Appeals for the Southern District of New York.

That is the only time that price fixing was ever done by the commissioners, but they were then sitting as referees.

Mr. McKENZIE. You are familiar with what is known as the General Munitions Board during the war?

Mr. COLVER. Yes, sir.

Mr. McKENZIE. On page 94 of the abstract of testimony taken by this committee I find the following extract taken from the minutes of the General Munitions Board meeting of April 4, 1917, page 14 of the minutes, where it states:

The board was advised that the Federal Trade Commission had presented a plan covering purchase on a cost-plus basis for the consideration of the council, which plan will come through the board when crystallized.

Do you remember anything about that particular?

Mr. COLVER. I remember the evidence around that date, and I remember the evidence which touched on the matter of the cost plus, but I find no record and I have no recollection of the commission having recommended at any time a cost-plus basis. On the contrary, a recommendation was made against it.

Mr. McKENZIE. That was the position of the Federal Trade Commission?

Mr. COLVER. That was the position of the committee which was formed by the Federal Trade Commission. It consisted of the Economics Advisory Board, which was made up of Dr. Francis Walker, Dr. T. M. Robertson, and Dr. L. H. Haney. Those men constituted at that time the Advisory Economic Board of the commission. The report of that board was made after consideration of these problems that had been sent to us by the General Munitions Board. The thing was considered by the commission with the Economics Advisory Board, and they prepared a memorandum; then they brought it

back to the commission, and it was considered, amended, and finally confirmed as being the best form that we had at that time—that is, in the light that we had at that time. We often considered it as within our knowledge, and I have that memorandum with me. I was asked yesterday to examine certain of these papers that I have, and I will say that, perhaps, I can give you a good background.

Mr. McKENZIE. It is my understanding that you got this memorandum together at the request of the chairman of this committee?

Mr. COLVER. Yes, sir. I did it as the result of my conversation with you and Mr. Chantland's conversation with me. You gave me an idea of what you wanted and I examined such papers as I thought you wanted that would bear on the subject.

Mr. McKENZIE. If there is no objection you might insert those in the record.

Mr. DOREMUS. What is it that you want to insert in the record; what does it deal with?

Mr. COLVER. They are not expensive and, perhaps, since they furnish the groundwork of the work of the commission later on, as it developed, I can give you a picture of it if you want it.

Mr. McKENZIE. I will ask you, Mr. Colver, if the position that you have just stated as representing that view of the Federal Trade Commission in regard to the purchase of materials was also the judgment of the board as to the cost-plus contract?

Mr. COLVER. I think that this paper [indicating] will speak for itself. I think it touches the thing and I think it speaks much better than I could summarize it.

Mr. McKENZIE. You can answer that question.

Mr. COLVER. We never did feel in full accord with this cost-plus plan. We had nothing to do with the cantonment work. The cantonment work did not come until later. We were working at the larger problem. The cantonment work was emergency and did not come at any time to our attention except as from time to time we were called upon in isolated cases for any cost figures that we might have and we would turn them over.

Mr. McKENZIE. And that also included material?

Mr. COLVER. Yes, sir.

Mr. McKENZIE. I want to ask you, Mr. Colver, whether or not the judgment and opinion of the Federal Trade Commission was not overruled by the munitions board and wholly disregarded?

Mr. COLVER. We submitted our views here and later on the policy that was adopted may or may not have varied from the suggestions that we made. I understand that suggestions were made by various individuals and the final program was the composite of them. I would not like to say that we were overruled, but I think that our suggested plan was not adopted. I desire to read the following, which I think will be of benefit to you in your examination [reading]:

COUNCIL OF NATIONAL DEFENSE,  
Washington, April 25, 1917.

Hon. WM. J. HARRIS,

*Chairman Federal Trade Commission, Washington, D. C.*

DEAR SIR: At a meeting of the Council of National Defense held on April 21, the following action was taken:

"It was voted that Mr. Frank A. Scott be requested to form a committee, composed of himself as chairman, representatives of the Department of Com-

merce, Department of Agriculture, Department of the Interior, Federal Trade Commission, and other he might wish to select, to consult with Commissioner Baruch in the solution of the price problems raised in the foregoing communication."

Will you be good enough to designate some one representing the Federal Trade Commission to serve with Mr. Scott on this committee?

Cordially, yours,

(Signed) NEWTON D. BAKER,  
Secretary of War,  
Chairman Council of National Defense.

Mr. COLVER. I also desire to read the following letter bearing on the same subject [reading]:

APRIL 25, 1917

Hon. WM. J. HARRIS,  
Chairman Federal Trade Commission, Washington, D. C.

DEAR SIR: Pursuant to action taken at a meeting of the Council of National Defense, held on April 21, at which the following resolution was adopted: "We have the honor to inform you that the initial meeting of this committee shall be held at 10 o'clock a. m. on Friday, April 27, in Room 929, Munsey Building."

The action referred to as transmitted to me by the chairman of the Council of National Defense was as follows:

"It was voted that Mr. Frank A. Scott be requested to form a committee composed of himself, as chairman, representatives of the Department of Commerce, Department of Agriculture, Department of the Interior, Federal Trade Commission, and others he might wish to select, to consult with Commissioner Baruch in the solution of the price problems raised in the foregoing communications."

Very truly, yours,

(Signed) F. A. SCOTT,  
Chairman, General Munitions Board.

Mr. COLVER. I now desire to read the memorandum from the committee for the commission, to Mr. Frank A. Scott, chairman, Munitions Standard Board, Council of National Defense. The letter is as follows [reading]:

APRIL 2, 1917

MR. FRANK A. SCOTT,  
Chairman Munitions Standards Board,  
Council of National Defense, Washington, D. C.

MY DEAR MR. SCOTT: In response to your invitation of March 30, on behalf of the Council of National Defense you requested the Federal Trade Commission to submit a memorandum in relation to the methods of production for war supplies to be furnished the Government, we transmit herewith such a memorandum prepared by the Advisory Economic Board of the Federal Trade Commission.

This memorandum, for the purpose of brevity, is limited to a discussion of method.

The Advisory Economic Board as well as the Federal Trade Commission is not unmindful of the consideration of the means as well as method and for the need for prudence and discretion in settling these in operation.

Mr. COLVER. The department stated what we had in mind. In regard to both the means and method, we limited our reply to a discussion of the methods by which prices and values should be arrived at, and therefore prices fixed. We thought that it was our affair to suggest the means; that is, whether a price-fixing committee should be appointed or whether the General Munitions Board should have a price-fixing power or whether legislation should be asked for. We did not go into that. We talked about the means and let somebody else work out the means or machinery by which the method should be applied. [Continuing reading:]

Without doubt in what will follow we will duplicate suggestions already made to the council. Indeed the major part is doubtless already in operation or in process of organization.



In addition to the facilities mentioned in the memorandum as presented by the Federal Trade Commission the commission would be able to bring together and supervise bureaus of inspection, traffic management, commercial law, sanitary supervision, scientific aids, such as metallurgists, etc., and executive inspectors who would consider plants as a whole, and their processes and results as a whole, rather than quality of product.

By this I mean the inspection of the capabilities and capacities of given plants, rather than in the sense of inspecting the material prior to its acceptance. That was what we were concerned with. [Continuing reading:]

Nearly if not all the activities which you may desire to set in motion, or which are suggested herein, may be already employed by the Council of National Defense, but if any remain uncared for the Federal Trade Commission will undertake to organize from the most expert men in our national life bodies who could coordinate with your bureaus.

That was simply a tender of service, and the request comes to us first to make any suggestion or any contribution we could, and to suggest wherein the Federal Trade Commission, with the lawful powers it had, its organization, its staff, might be useful in the organization of the whole machine that was about to be created—the war machine. [Continuing reading:]

Every resource possessed by the commission is at the disposal of the War and Navy Department and of the Council for National Defense.

Among the divisions which suggest themselves are the following:

An executive corresponding to general manager of a large industrial organization. He would organize bureaus or department for cost accounting, inspection of product and materials, inspection in a larger way of industrial plants and processes, Bureau of Adjustment as to compensation, Traffic Bureau, Purchasing Bureau, Auditor Bureau, and Labor Bureau, which would (a) advise as to the fixing of hours and conditions of work so as to secure the greatest efficiency without incurring industrial or mass fatigue, such as resulted disastrously in England early in the war—

Mr. COLVER. At that time we were taking notice of the fact that England, in the early days of the war, had driven her producing power and man power to such an extent that it brought about a condition that is described in this memorandum as “mass fatigue.” Its great driving of the man power resulted in a very low production over there until hours were shortened and the conditions of the work were better, and then the stimulation of production of man power by labor was more healthy and we were putting in our work at that time to treat against such a process as England had already tested out and made a rather disastrous finish of. [Continuing reading:]

(b) a survey of labor supply with the necessary shifting of labor to meet changing needs or disposition of contracts with respect to labor supply, and (c) such sanitary and hygienic supervision as would, in connection with (a), look to the maximum efficiency and conservation of human energy.

A most important consideration is the recognition of the need for avoiding to the greatest possible extent any adjustment of the normal industrial processes. To commandeer a plant which is a link in a chain of industrial processes might close down a hundred other plants which, while contributing nothing to the normal defense, would be left powerless to continue in their normal industrial activities.

Mr. COLVER. The thought that lay back of that was, and there seemed to be a definite school of thought about that time, which was April 3, 1917, two days I think before we went into the war, that the immediate commandeering of plants or partial plants on the part of the Government would be useless. The commission's suggestion was

against that. The commission's suggestion was for private operation, and as little dislocation of what later got to be called nonessential operations as possible.

The idea was to press those plants and part of plants that could produce essential things and keep them in as full operation as possible and then transfer that material and labor from the nonessential, slowly or as rapidly as possible, to the essentials, and cutting the non-essential production slowly, by replacing the nonessential production by essential production, so that no plant and no part of a plant would lie idle.

In that way we could stock up and avoid the English experience of plunging into the production of war-time commodities and forgetting that people had to live and eat and be clothed while the Army was being taken care of in the field, and it was against that readjustment that we were raising our voice against. [Continuing reading.]

So, too, the laying of an undue burden upon one plant might disarrange scores of other factories. The one actually employed by the Government would receive full and just compensation, while the other, equally disturbed in their normal activities, would have received no compensation.

These ill results may be avoided by a division of contracts and by spreading the public load so as to cause the least possible disarrangement of the industrial fabric.

That later came about under the War Industries Board by what was called the Priority Board, under Judge Parker when the allocations were made, contracts were spread out thinner than at the beginning, when large contracts were given to plants, overloading them at the time, and at the same time underloading other plants. What we were arguing for here was the spreading of the load as much as possible and as widely as possible. [Continuing reading.]

The commission acknowledges the volunteer assistance and practical advice rendered by Mr. A. R. Demory, vice president and general manager of the Detroit-Timken Co., who responded to a telephone summons and who has been asked to go over these problems, though only a few hours have been available to him for their consideration.

Very truly yours,

COMMITTEE FOR THE COMMISSION

Mr. Demory, in regard to him, I wish to state that I had just come on the commission. I had joined the commission possibly 20 days before, and I had not yet, and Col. Chantland knows what I mean when I say I had not taken up my share of the load. This new thing came along, and I was more nearly foot-loose than any of the commissioners who were carrying the usual ordinary processes of the commission on their shoulders, so, to a certain degree, this new load was thrown on my shoulders as my first task.

So I had called on Mr. Demory, vice president and general manager of the Detroit-Timken Co.

Mr. DOREMUS. Mr. Demory is a Detroit man, is he not?

Mr. COLVER. Yes, sir; he is; I have known him for a number of years. I knew him to be a man who was accustomed to handling large masses of men and large operations; and also since in the operation of his plant he had to keep current supplies for a large number of automobile factories and deliver to them their axles. He had to deliver enough to each one to keep them all running. I was impressed with the fact that he could, of all the people I knew.

give me the best idea to spread a load. It was his idea, as general manager, so that he could meet the demands from 30 or 40 concerns, and not make the choice for one to run overtime and some of the others to have nothing. So I got him on the long-distance telephone, and we talked with him and with the economic advisory board. Many of his practical suggestions are the suggestions that were reflected in the schedule of activities that we suggested. Now, I have already the letter by Mr. Scott to Mr. Harris, and also the letter by the Secretary to Mr. Harris, which are, in fact, letters of transmittal in connection with this memorandum. The memorandum itself was prepared by the economic board, then revised by the commission, and then was transmitted to Mr. Scott.

I now desire to read the following [reading]:

MEMORANDUM FOR THE COMMISSION IN RE METHODS OF COMPENSATION FOR CONTRACTORS FURNISHING MUNITIONS AND OTHER WAR SUPPLIES TO THE GOVERNMENT.

With reference to the inquiries made to the commission by Mr. F. A. Scott on the 30th ultimo in behalf of the National Council of Defense, which were referred to this board for report, the following statement is submitted.

It was on the 30th of March, 1917, that Mr. Scott called at the commission, and we had a rather long discussion. There were present the members of the commission and the members of the economic board and the members of the economic advisory board.

I will resume my reading—

The brief time available for considering this matter, viz, three days, has made it impossible for this board to examine carefully and fully into the important questions submitted. As far as possible the available data on the practices of belligerent countries, especially England, France, and Germany, have been noted, and consideration was given to opinions expressed by certain officers of the War Department in connection with inquiries as to foreign experience. Practically, however, the suggestions here made should be taken as a priori conclusion, which might be modified if more time were available for investigation and study.

The way we tackled that problem that Mr. Scott gave us was to assemble all the information we could find in any of the departments of the Government here, and a great deal that we had ourselves, about the experience of the nations which had been at war, including Germany, and I think the first thing that struck us was this "mass fatigue" that occurred in England. Then other things which came in. So that this memorandum was attempted to be based on the experiences of the nations who had gone through the same thing that we were just about to go into. And in this connection I want to say that those three days work were 24-hour days and not 8-hour days. [Continuing reading:]

The essential questions put by Mr. Scott to this commission, as understood by this board, are substantially as follows: If the present competitive system does not prove adequate to get sufficient quantities of needful war supplies at reasonable prices, and the Government is thereby compelled to procure them under compulsory process conferred by law (act of June 3, 1915, sec. 120) either (1) by requiring producers to supply them or (2) by taking over the plants, etc., of producers for governmental operation, then, under such circumstances, what principles or rules should be applied to determine the fair and just compensation for the goods purchased or the plants so taken over?

*Present competitive system preferable so far as feasible.*—This board agrees in the opinion apparently held by the representative of the National Council

of Defense that the present competitive system should be continued if the Government can thereby procure the needful war supplies in sufficient quantity and at reasonable prices. It realizes also that where an abundance of supply exists and there is a mere attempt by speculators or others to extort unreasonable prices from the Government, the situation can be met under the present law by seizing the goods and offering a reasonable price, which, if refused, is inadequate, merely leaves the supplier his remedy at law. Furthermore, combinations of suppliers to extort exorbitant prices from the Government should be effectively proceeded against criminally in many cases.

But the case is likely to arise where the available supply or productive capacity is actually less than the needs of this Government, or where competition demands other than those of this Government might naturally make prices excessively high in comparison with the cost of production. It is the explanation of such conditions, it is understood, that the National Council of Defense must consider what shall be done to obtain needful supplies at reasonable prices.

*Purchase preferable to Government operation.*—When it is known or believed that adequate supplies will be difficult to obtain by bidding, the Government may be able to secure them with greater promptness and more cheaply by adopting a policy which will compel the producers to furnish the Government with such supplies or with the means of producing them while guaranteeing and just compensation to the owners. Practically this would be most easily applicable to manufacturing, mining, and similar industries. In fact, it would be impossible for the Government to engage extensively in agriculture. For manufacturing and mining enterprises, however, operation by the Government and purchase of the products from them would be generally more feasible than to take over the plants. Hence in arranging the compensation of inducements should be more liberal for private operation and purchase of the goods by the Government than for the surrender of plants to it.

The only law that we had then was the act of June 3, 1916, Section 130, where it was said that if anyone able to produce refused to produce them that the Government might commandeer the plant or part of the plants, or mines, or part of the mines, or the output or part of it. So we argued that in making up compensation the compensation for a seized plant and its product must be, under the Constitution, just and fair, but that the compensation for a willing producer should be more generous than for one who refused to produce and so compel the Government to resort to a seizure of the plant. Do I make myself clear in that? It was our endeavor to make as much as possible the Government operation of the plant by a bid for private operation of the plant, but we would insist upon just and fair compensation for all plants that would have to be seized. We draw the line very closely there.

Mr. McKENZIE. Let me see if we get your point. The law is quoting is a provision in the national-defense act?

Mr. COLVER. Yes, sir.

Mr. McKENZIE. And, of course, that had in mind this emergency which might, and which did, arise in the future. Now, you are trying to point out that it would be advisable to continue the competitive system by allowing the various manufacturers of the country to operate their own plants, and bid for the sale of their product to the Government, and continue that competitive system rather than let the Government seize the plants or take them over in a way allowing the manufacturer costs and so much profit on his product.

Mr. COLVER. Yes; we come to that later. [Continuing reading.]

In the following suggestion as to methods of compensation, however, attempt has been made to definitely fix actual rates—

**We never did that. [Continues reading:]**

much less the exact relations between the two methods of compensation.

It is understood, moreover, that in general it should be so arranged that the party from whom the supplies are sought should have the option of producing them, or of turning over his plant to the Government. Generally speaking, it would not be good policy to compel a producer to furnish goods if he preferred to surrender his plant instead.

**We did not compel private operation, but we encouraged private operation. [Continues reading:]**

*Purchase prices of supplies.*—Various methods of fixing the prices of supplies so that they shall be reasonable have been considered, such as margin over cost, percentage on cost, return on investment, etc.; but the simplest and most practical basis appears to be the usual or average-price basis. This standard may be briefly stated as the usual or average price for a selected period of years, plus or minus, respectively, any demonstrative increases or decreases in cost of production.

That is to say, our thought was there to take the experience of years past. Starting with comprehensive cost-finding operation; assuming that the prices of years past were fair prices. That is, the average prices for years past, for a recent period, which, I think we said, five years, which would have taken out the 1916 bulge in prices, and we recognized the increase in cost of production which had taken place, and then started. With that as a basis we could figure the cost finding as a continuing operation, and, conforming with the usual net profits found in the various lines of industry, plus or minus any changes that might be found to actually exist, or come about in cost of production. That was the theory that lies back of this paragraph. [Continuing reading:]

This is simply a general standard and should not be applied regardless of other circumstances which might justly be considered, such as the fact that the prices during the selected period of years had been demonstrably too low and unprofitable, or *vice versa*; that the conditions of risk were different, that the rate of depreciation for obsolescence was different.

**That is, a different industry. [Continuing reading:]**

The advantage of this standard is that it would be comparatively easy to ascertain. It would only be necessary to determine past prices and changes in cost.

**That is present and future.**

The same margin above cost that existed during the selected period would be allowed on the contract.

That distinctly does not mean cost plus a percentage. It means that the cost, the present war cost, having been determined, and the prewar rate of profit having been determined, that that same rate of profit, not a percentage on the amount of the purchase price, but the same rate of profit should be continued. That is, the old order would be continued into the new order, in exactly the same way as it is ordinarily worked out in trade under undisturbed war conditions. [Continuing reading:]

*Prima facie* the margin of price over cost would be assumed as reasonable in the past, and a fair guide for future contracts unless it was affirmatively shown to be otherwise. This method would avoid the difficulty involved in the standard of fair return on investment, namely, the determination of the actual investment.

**If we saw ahead of us a monumental task or attempt to go out and value the investment of all producers and instead of that as-**

sumed that the given producers, having a knowledge of his investment, his practice in the past as fixed on what he thought it would be and what his customers agreed was a fair return on whatever he had and we would not inquire about the investment. Apply the experience of the past to the future. [Continuing reading:]

This standard would be applicable to mining as well as manufacturing industries, and would, therefore, avoid the necessity of differentiating between those who exploit natural resources and those who simply work up raw materials.

Changes in cost should be considered not merely in general, such as changes in the costs of raw materials and in the rate of wages of labor, etc., but also for the particular concern in each case, since it would have no choice in accepting or rejecting the orders.

And we wanted to take into consideration in dealing with the supplier of commodities that he might be required by the Government to divert his plant from his usual operation and make something that he has not been used to making, in which case his labor would be less efficient and perhaps his plants; very likely his plant would not be adapted to quantity production, so that the word that we used for that was the disadjustment, and that we thought must be taken into consideration as an individual matter following each contract or running into each plant or mining operations. [Continuing reading:]

It is assumed here that the price will be fixed before the work is done and not subsequently. The English experience in giving out work and agreeing to pay cost plus a certain rate of profits thereon has not worked well and is not recommended by their experts except in case of imperative necessity. Under this system, however, it has been found indispensable to exercise a careful control over the manufacturer in order to prevent, so far as possible, reckless expenditure for materials, wages, and salaries, to say nothing of deliberate attempts to overload the costs in order to have a larger amount which to compute the profit.

From what was said by Mr. Scott, it is obvious that the National Council for Defense contemplates the possibility of some regulations of the price of raw materials or of obtaining supplies on special terms. If such supplies are furnished to a contractor without cost, it would obviously be reasonable to reduce his prices not only to the extent of that reduction of cost but somewhat more, as he would have so much less working capital tied up in materials, inventories, etc.

That was a reference to part of a verbal discussion where it was considered whether the Government instead of operating the plant might become the purchaser of all of the material used on a Government contract, turn the material over to the plant to be worked on under private operation, and then pay for it at a price to be determined before the work was done. We held in that case that since the manufacturer would be relieved of the expense of the purchasing of material and his working capital would not be tied up in inventories, and since his selling expense would be nothing, because the stuff would be bought before it was made and the price determined, that the rate of profit need not be as great as if it were an accustomed profit, but we considered that he might receive a bonus profit. [Continuing reading:]

Other variations in the conditions of procedure affected by such a situation and the methods by which the contractor gets his supplies should receive appropriate consideration.

It is possible also that some regulation of wages may be attempted on such questions as these, as well as the more fundamental questions of restricting or controlling the productive activities of the country in order to insur-

an adequate labor supply and to prevent wasteful or unnecessary expenditure are not within the scope of this present memorandum, although they might be of the greatest importance in avoiding increases in cost of materials and labor for producers and the cost of living for labor and the people generally.

Furthermore, the arbitration board, the establishment of which is recommended at the end of this memorandum, should be empowered to make readjustments in the terms of the contract after the work was done in order both to prevent a meritorious contractor from suffering undeserved loss and to prevent the Government from being obliged to pay excessive profits to a contractor. Thus, in case a contractor in the actual final accounting could show that on the basis of the contracts he had lost money or made an insignificant profit, while his work has been in good quality and prompt in execution, and without extravagance in cost, the Arbitration Board might allow him a minimum profit on his contract equal to, say, 8 per cent of the estimated actual investment required for such work. On the other hand, in cases the final accounting showed that the contractor had made very large profits, say, in excess of 15 per cent, the Board of Arbitration might be authorized to readjust the final terms of the settlement on the basis that the contractor should receive only one-half of the profits in excess of 15 per cent on the estimated actual investment involved in the work.

This former one had to do with the contract let for private operations. Now we come to the possibilities of the seizure of plants, against which we were arguing but which we felt that we had to make suggestions about if it became necessary. However, we did not favor the seizing of any plant unless necessary. [Continuing reading:]

*Commandeering producing plants.*—The alternative question of commandeering producing plants, whether factories, mines, etc., may be next considered. As already stated, the rate of compensation in this case should not be made so attractive relatively as would ordinarily incline a producer to turn over his plant to the Government instead of contracting to produce the supplies himself. Nevertheless, the law and equity itself requires that the compensation should be fair and just.

It is apparently contemplated by the Council of National Defense that such plants should be taken over temporarily only and this policy is evidently suggested by any practical consideration of the matter. An exception to this statement might be found in respect to certain natural resources, but it is not necessary to discuss this feature of the question in this memorandum.

Temporary appropriation by the Government might be made on the basis (1) of an annual payment equal to a fair rate of return on appraised value of the plant, or (2) an annual payment equal to a fair return on the cost of investment plus a part (say one-half) of the excess average profits for a period of years prior thereto.

The rate of return should be determined on the principle that a secure income is given free from risk and in the nature of a liberal interest rate, say 6 per cent. The special advantages of the plant as a producing agent would be recognized by making the rate on the appraised value—instead of cost of investment—or by adding to the rate on the cost of investment a part of the surplus earnings above the said rate, which may be assumed to be due in part to the degree of productive adaptability.

In applying this general rule, consideration should also be given to special circumstances calling for modification. If a manufacturing plant is not to be returned in as good a condition as received, due compensation should be made for depreciation. If changes are to be made which would make it less available for general commercial utilization, allowance therefor would be necessary. The question of the loss of custom due to the fact that the owner ceases to operate it for a time should also be duly considered.

Later that brings us back to that expression I used a moment ago, "disadjustment." Later the commission held that there was a factor of loss of good will—that intangible thing called good will—when a producer, whether he be a miner or manufacturer, is required to withdraw his services from his usual civilian trade; that then, at the end of that period, he would have lost "good will." He would have lost immediate contracts, and would have practically to rebuild his custom with his customers again. We always felt that that

should be recognized, just as much as any other loss, even as though part of the plant had been burned. We thought that intangible thing was of very great value and should be recognized. [Continuing reading:]

In the case of a mining plant, compensation should be made for the improvements on the same basis as for a manufacturing plant, and an additional allowance made for the exhaustion of minerals in the ground at their market value.

I will explain "market value." For the purpose of this memorandum, "market value" meant the value of the body of minerals in the ground at that time, and not a written-up value based on an expectation of a new price structure caused by war. I think that is quite important, if you remember that all the way through, here, we had not assumed that there was to be a war-price structure. We were arguing that the peace-price structure be continued and recognized only provable expense items as properly to be added in. [Continuing reading:]

This might be ascertained by considering current sales of similar mineral lands, or by the royalties paid for such minerals, due allowance being made for the discount on such royalties in order to arrive at their present value.

In some cases, perhaps, the Government might wish to take over only a part of the plant of a manufacturing concern, but while this situation was probably complicate the determination of a fair and just compensation, it could be determined on the same general principles.

*Arbitration and readjustment.*—The practice of other countries (at least England), as well as the natural justice of the case, would suggest that within the branch of the Government which purchases the goods or takes over plants might in the first place fix the terms of the arrangements, nevertheless it would be desirable that some provision be made for arbitration in cases where the concern affected feels that it has not received fair and just compensation. It would appear from the law conferring the power on the Government (cited above) that a complainant would in any case have an ultimate remedy in the courts. But even in this case an arbitration board might settle the great bulk of disputed cases more expeditiously, economically, and satisfactorily. Such a body might be some independent Government organization, or might be a composite board especially constituted upon which both Government officials and representatives of industry would be present in equal numbers, with a Government official as chairman with voting power.

Respectfully,

FRANCIS WALKER,  
T. M. ROBERTSON,  
L. H. HANEY,

*Advisory Economic Board*

APRIL 2, 1917.

Technically that paper is a report by the advisory board to the Federal Trade Commission, and in turn, as I say, was somewhat amended and transferred and sent over to Mr. Scott.

MR. MCKENZIE. When was this report handed in, Mr. Colver?

MR. COLVER. April 3, 1917.

MR. MCKENZIE. You, as a board, tendered your services to the munitions board, as I understand it?

MR. COLVER. Yes, sir; for anything we could be useful in, and we described our facilities.

MR. MCKENZIE. And they called on you for a report; they asked you to make a report to them of your findings?

MR. COLVER. Yes, sir.

MR. MCKENZIE. And this memorandum that you have here is a report that you made at that time?

MR. COLVER. Yes, sir.



Mr. McKENZIE. Was any attention paid to the recommendations that you made in that report by the munitions board or anyone else in authority?

Mr. COLVER. I think it must have been the subject of discussion. I think it must have been one of the facts taken into consideration. I presume it must have been. In fact, I know it must have been. It seems to me that my memory is that practically before that, and perhaps before the memorandum was acted upon, Mr. Scott asked us to begin the erection, or at least to begin the planning of preparatory to the erection of, an organization which would carry on the cost-finding processes, which we suggested in this memorandum. At that time we were already working on the Navy coal.

The Federal Trade Commission was then put into harness directly by the President by an order that the Federal Trade Commission must act as the expert accounting or cost-finding position. There was an Executive order, if I remember, on April 10, whereby the President directed that the Federal Trade Commission, in conference with Mr. Scott, of the Council of National Defense, should do all these things. It was, as we considered it, going to be a pretty big operation, for the reason that the money at the command of the commission was not sufficient. What we had to do was to go forward and use it up, use our money without regard to the fact that we should expend in twelfths; but we went ahead and spent it and did what we could do as rapidly as we could do it, and the President allowed us from time to time out of the national security and defense fund money so that as we needed money we made an accounting to the President for the money that we had consumed out of the security and defense fund, telling exactly what operations we had been through and calling on him for additional funds. The money would come on in installments of \$100,000, and then \$200,000, and later, I think, we would get \$300,000 at a time, as the operations grew. The personnel of the commission was rapidly expanded, and about around April 3, 1917, there were perhaps 250 people employed by the commission.

Mr. McKENZIE. At that time was the Federal Trade Commission particularly engaged in ascertaining cost finding in regard to the essential commodities that would be needed by the Government?

Mr. COLVER. Yes, sir; but only in an indirect way. The commission was engaged in cost finding in regard to this particular Navy coal. It was engaged in the general investigation of bituminous and anthracite coal, by reason of three resolutions of Congress, two from the House of Representatives and one from the Senate. The Federal Trade Commission was engaged in the study of the oil industry, which necessarily involved a cost study.

Now when Congress sends down to the Federal Trade Commission its mandate to report on any industry, and its condition, one of the necessary factors, in a responsive reply to Congress must be the question of costs so that, at this time, we were engaged upon the coal, bituminous and anthracite, and all investigations. Some work was being done in office, some work was being done in the field. And as the corollary of coal, work was being done in regard to coke and pig iron.

Mr. McKENZIE. Perhaps I can clarify matters by asking you a question, Mr. Colver. You were investigating this coal proposition along about the time we got into the war?

Mr. COLVER. Yes, sir.

Mr. MCKENZIE. Later on, as the months passed by, and we were engaged in the war, did it devolve upon your commission to enter upon the investigation of the cost of all the essential material used by the Government in carrying on the war?

Mr. COLVER. Yes, sir.

Mr. MCKENZIE. You did that? Did you make findings and recommendations on various things?

Mr. COLVER. We made no recommendations. We made findings. That process was this: These things, these operations were going on prior to the war. Fortunately the commission was supplied with accountants familiar with the various industries. The commission also had the scientific men familiar with the technique of the industries. At that time we dropped, to all intent and purposes, the efforts that were being made to answer the various requests that came from Congress in past requests and turned our whole force over to the single cost factor, which was ordinarily only a part of the job which we were doing. We did this by direction of the President from time to time and by direction of the Shipping Board and of the War Industries Board and the Council of National Defense. These requests sometimes came by telephone, sometimes by letter; and we would be told to go into this, that, or the other thing on contracts, or estimates of needed stuff would be sent down, and we would be told to take that up.

The process was then to organize a corps or organization of expert accountants, get out the questionnaire as to that particular commodity, and start cost finding. When the cost finding was completed it would be tabulated and transmitted. That, so far as the Federal Trade Commission was concerned, did not get to be a distinctly organized and orderly process. Before then the prices were sent either to the department directly, or sometimes transmitted to the President or to the Council of National Defense.

Mr. MCKENZIE. I want to ask you, Mr. Colver, whether or not among the findings sent to the President and to the departments of the Government, or to the price-fixing committee of the Council of National Defense, you had sent your findings on lumber, building materials, hardware, roofing materials, etc., tar paper, cement, plumbing and heating supplies, and electrical supplies?

Mr. COLVER. Yes, sir; and hundreds of other things at the end. The day the armistice was signed we were handling the cost account the cost of sheets of the annual production of commodities of an annual value of \$30,000,000,000, representing \$20,000,000,000 of manufacturing investment and mining capital, and it ran to the widest range, all the way from the cost of towing in New York Harbor, to picric acid and surgical gauze, steel rails, canned beans, in fact almost anything you could think of.

Mr. MCKENZIE. Of course, Mr. Colver, you went into this matter very thoroughly in ascertaining the cost of all of these different articles, and particularly, the cost of the things I have mentioned in my former question?

Mr. COLVER. I would not say those particular items, no; I would say yes to that, but not particularly as to that.

Mr. MCKENZIE. You gave them the same consideration as all others?

Mr. COLVER. Yes, sir; we went into all them particularly.

Mr. McKENZIE. That is the point I am alluding to; and I am referring specifically to the various materials which I have mentioned in my former question.

Mr. COLVER. I take it that this list that you are giving me is a list of the commodities that this committee is interested in. What I will say is that we investigated not only those commodities in which the committee is particularly interested in but hundreds of others.

Mr. McKENZIE. What I want to know, and what the committee desires to know, is what regard was paid to the findings of the Federal Trade Commission on the cost of these various items, in connection with the fixing of the price by the price-fixing committee or those in authority that handled that matter.

Mr. COLVER. I think I can say that after the price-fixing committee of the War Industries Board was created—and I am now speaking of the price-fixing committee of the War Industries Board. There was another one which was practically completed in its personnel by an order of the President, when he appointed a Price Fixing Board, which was rather independent of the War Industries Board.

Mr. Baruch was a member *ex officio*, and he sat with us when commodities were considered, but we were rather an independent board. Mr. Robert Brookings was chairman of it.

Mr. McKENZIE. In the abstract of testimony taken before this committee, at page 94, near the middle of the page, I find the following statement, which may enable you to fix the particular committee which you have in mind, and this is an abstract from the minutes of the General Munitions Board, April 25, 1917, at pages 119 and 120 of their minutes:

Whereas in the work of the General Munitions Board it has become increasingly evident that a broadening of the scope and authority of this body is essential to the efficient operation of the board and to the best interest of the governmental departments; and whereas it is necessary that the Council of National Defense more clearly define the authority of the board in regard to the fixing of prices, the letting of contracts, etc.

That was at the meeting held April 25, and at that time it seems that the board that you mentioned had not been appointed, and it must have been appointed later.

Mr. COLVER. Yes, sir; April 25. I would fix it as about that time, according to my recollections. My memory has been refreshed in regard to that matter by this letter of April 25 from the Secretary of War, acting as chairman of the Council of National Defense.

Then Mr. Harris, chairman of the commission, designated me as the commissioner to be the Federal Trade Commission representative on that committee.

Mr. McKENZIE. Now, Mr. Colver, if you remember the question that I asked you, you may answer it. We have got rather far afield on it.

I have been asking you in regard to lumber, builders' hardware, roofing and tar paper, cement, plumbing and heating supplies, and electrical supplies. And I think you have stated that your commission had gone into those matters very particularly as to the cost and that your findings had been transmitted to the proper authorities, and

the question that I had asked you and which you had not answered, was, with what respect, if any, or consideration, were your findings received?

Mr. COLVER. I am sincerely anxious to be responsive to your wishes and to give you all the information you are after and which properly belongs to you. It is difficult to say on an announced price how closely the cost findings figures may have been followed, for the reason that the announced price had to take into consideration the prices at which our cost figures paid no attention to. We gave the cost figures then prices were named. Prices were fixed. Now, the prices may have been necessarily greater than the cost. And the question is, what method or margin of profit to allow.

Mr. McKENZIE. What I want to get at is, you found the cost?

Mr. COLVER. Yes, sir.

Mr. McKENZIE. Now, then, this committee or some one fixed the price to the producers?

Mr. COLVER. Yes, sir.

Mr. McKENZIE. Now, the information the committee would like to have, if it can be obtained, is whether that margin of profit was a reasonable one or an unreasonable one? We thought perhaps you might be able to give us some light on that subject.

Mr. COLVER. In so far as any cost-plus arrangements were concerned, that was the application of the principle for arriving at a price, but, as I read to you here, we were opposed to it as a principle because the other countries that tried it found that it would not work and we said so back on April 3. We also called attention on April 3 to the fact that it would not probably be equitable to add to a cost more than an ordinary profit in the production of the commodity, resulting in the destruction of good will, of dislocation or of adjustment of the plant, or anything of that sort. That should be taken into consideration. If I am not mistaken, those factors were taken into consideration. That principle we always agreed to. The principle of cost plus we did not agree to. That is, we did not favor it. We did not favor it.

Mr. McKENZIE. You do not know anything about the details of anything in regard to these particular items—that is, take but one.

Mr. COLVER. During this brief period I confess I do not know. And I want to say that it may seem curious for me to say it at this time, but I actually did not know what prices were fixed, and I do not know yet. I myself personally was engaged in doing the work, I could to get the costs together, and it was taking me 18 hours a week, Sundays included, and I was not interested in anything more than getting my job done and getting it over with. Just remember that it was a monumental thing it was to get these costs sheets in, reconcile them and all sorts of bookkeeping and all sorts of theories and cost sheets. Those all had to be reconciled and brought to some standard of accounting which was the method of accounting which was adopted by the interdepartmental commission.

Mr. McKENZIE. Your commission was never advised as to what prices were fixed?

Mr. COLVER. No.

Mr. McKENZIE. And you were the representative on that committee, I understand?

Mr. COLVER. Yes, sir.

Mr. McKENZIE. I want to ask you, Mr. Colver, if you know whether or not, prior to the war, the prices of lumber, builders' hardware, roofing, tar paper, cement, plumbing and heating supplies, and electrical supplies, or any one of them, was controlled by an association? In other words, was the price fixed or was there genuine competition on any of the various articles?

Mr. COLVER. There were some pretty strong associations in the various lines. Whether the associations actually eliminated all competitive prices I do not know. In fact, I doubt that. Lumber, of course, is an industry that has many—there are many kinds of lumber and there were associations inside of associations. Some of the subsidiary or secondary associations were stronger than the others. In fact, it would be very unfair to attempt a generalization. In regard to cement, the association was a very strong one and was met with at that time by the Federal Trade Commission in its work.

Mr. McKENZIE. Were you handicapped by this association or organization in your work?

Mr. COLVER. I can not say that we were handicapped. There were some theories of accounting, cost finding, that were urged rather strongly, but we did not accept them.

Mr. McKENZIE. Was your commission at that time, or part of that time, engaged in an investigation of what is known as the Cement Trust?

Mr. COLVER. I think we were.

Mr. McKENZIE. How about the heating and plumbing. Did you find any association attempting to control the price of those items? Was there any investigation going on by the Government, by any department in regard to that line?

Mr. COLVER. I am not sure about that, but I think I can say that in that particular industry we did find a sort of uniform method of accounting; the principle of which did not agree with the principles which the commission was applying. There were factors taken into cost that they did not take into consideration in regard to cost, and did not show all operations. We held absolutely to the text book, which was prepared for interdepartmental accounting, and reconciled the figures whenever they came out incorrect, to the principle of that theory of accounting, which I think has been sustained.

Mr. McKENZIE. You know, Mr. Colver, that the prices of all these commodities that I have mentioned were fixed by one agency or committee of the Government, and under the direction of such agency or committee during the war. I wish you would state fully when and exactly by whom, as far as you can.

Mr. COLVER. I can only begin with the time, and the date has not been fixed to my satisfaction yet. I can only speak of my own knowledge, from the second meeting of the price-fixing committee of the War Industries Board, and from that time I know about it. Prior to that I do not know. It seems from this record that I read that I must have been supposed to have been representing the Federal Trade Commission on some committee, but the last time I met with that committee must have been, or with any committee, must have been somewhere around May 7. It was the last contract I had until my contract again in the clash of the price-fixing board of

the War Industries Board, under Mr. Brookings, as far as I am concerned, until May 17. I might have been a member of some price-fixing committee, but I did not attend.

Mr. McKENZIE. But from your official position and your personal knowledge, you can testify that these prices were fixed by some board or committee connected with the Government? Your activities as a commissioner, of course, were along the line of manufactured articles and minerals and coal and the natural products and especially munitions, and did not involve the question of construction?

Mr. COLVER. Not at all, except in one or two cases for the Shipping Board, we had one or two odd jobs for the Shipping Board.

Mr. McKENZIE. You have stated in your testimony, especially in the memorandum which you have read, your objections to the piece-cost system, as applied to the production of munitions, and that it had been found unsatisfactory in England and in other countries where it was tried out. I want to ask you whether or not in your judgment, as a principle, that the same objection which you put out to the use of that same form of contract in the production of the articles with which you are concerned, does not apply to a contract for construction. In other words, are not the same weaknesses present and the same lack of safeguard present in a contract for construction that would be present in a contract, for instance, for the manufacture of shells?

Mr. COLVER. I think, to give you my opinion, I should go back to the memorandum and say I still feel, when that memorandum was made up by the commission, the only exception we made was to the language in the memorandum "except in case of emergency." That is, it might have been, and was undoubtedly true that something had to be done under such pressure of emergency that that method was the right method if it made for speed, but the adjustment to an emergency we always felt, and we constantly urged, that the emergency shown should not be continued after you had time to adjust yourself.

Mr. McKENZIE. And in the case of an emergency, one that must be considered, a contractor might think a thing was an emergency where the Government might not think an emergency existed. You might have one set of men who might consider a certain condition an emergency, whereas another set of men would consider that an emergency existed. And further, before the question of whether an emergency existed or not could be decided, it obviously would be necessary for the regular forces of the Government pursuing the regular and usual and customary methods of doing things, to wait before you can say there is an emergency.

Mr. COLVER. Yes, sir; I would concede that generally, but, however, I would not be looking back to those days; I would give the benefit of a doubt to an emergency for a short time. Say on such and such a day I would do it in regard to the first necessary supply in anyway; I get them, but while that was being done, we always thought that it was an emergency, but that that emergency need not be continued after the first supply got under way.

Mr. McKENZIE. I am asking you these questions because you are a man who is holding a very high position in one of the departments of our Government. When we got into the war in April

course, we then had to pass a draft law to raise an army. We did do it. We assumed it was necessary, and many of us have not changed our minds, that accompanying the raising of this army it would be necessary to provide shelter. Now, before any effort has been made to provide the shelter in the usual and customary way of doing those things, some men declared that an emergency existed, and therefore it was necessary to resort to this unusual, at that time, method of contracting known as the cost-plus contract system. Now, do you feel that there has been any demoralization that would justify those men or any set of men in considering that an emergency existed, and to kick the old system over without ever giving it a trial? What would you say about that?

Mr. COLVER. Well, on April 3 we had, during the three days preceding that, and a considerable time before that, gone over the meaning of an emergency by the devising of the cost plus, and had assembled the experience of other nations and found that it had not worked out right, and we said so. Of course, whoever it was who did adopt the cost-plus knows more about it than I do. I would like to say this, running through this whole thing, there are one or two, if you are looking for the causes of your unhealthy price structure—there are two fundamental causes in my opinion, if you want them.

Mr. MCKENZIE. We would like to have them.

Mr. COLVER. The first one is that in time of war natural resources do not, in the general welfare or in common justice, enhance in value. That is to say, if there is a forest of trees, or if there is an undug body of ore and war is declared, that forest of trees is not worth any more uncut the day that war is declared than it was the day before; and that body of undug mineral or coal is not worth any more the day after war is declared than it was the day before.

That is where the trouble started. Not with your contracts, but with the writing up of the value of stumpage in lumber and in assuming an enhanced value in undug ore, copper or lead or what not, or of the coal.

Now, if it was conceded that the cause of war, for no reason except that war just existed, stumpage should be \$8 instead of \$2, and that that tree by some transmutation had become four times as valuable as it was the day before; why, then, you had started with your raw materials. No; not with your raw material, but the material in the stumpage before it even gets to be raw material. Multiply it by 4 and then all your subsequent processes had to conform to that multiplication and the value which is false value, is the foundation of the false price structure.

First, there is one thing and it is corollary. We have got the natural resources in time of war, and they should not be allowed to be given that increased value. They should continue to be worth what they were worth. They belong to society, and society is now in the course of war, and society then should call on those resources at the prices in war that it called on them in the time of peace. They are natural resources belonging to society.

Second, in fixing price costs found in any commodities, I do not care what it is, there is a range of high cost and low cost production, and the range is very great, and in time of peace a high-cost operation can be a profitable operation and be in active and success-

ful competition with a low-cost operation; for this reason, the high-cost operation may have and does have, if it is successfully operated in times of peace, other factors in play which compensate for the mere price cost of its operation. It may have the advantage of location. It may be tributary to a market. It may have a transportation advantage. Now, when the Government came to pay the costs and for its contractors the transportation benefit, the transportation equalizer was lost, because the same commodity had to be taken to a market where its transportation benefit did not come into consideration.

Now, then, in fixing a price. I am talking now about the board that I know about fixing prices; that is, the price-fixing committee. Take copper. That relates to your electrical supply. The Federal Trade Commission did make its cost finding on all the production of all the copper in the United States, and we got costs on 100 per cent, perhaps a decimal odd. It was practically 100 per cent of the copper. We found that some copper might be produced, and I will assume the figure because it may not be exact in saying 6½ cents a pound. We found other copper that actually cost 35 or 36 cents a pound to produce. We found that some mines which were said to be mines were not mines at all. There was a lot of development work going on which we maintained should be the capital charge and not an operation charge, and that capital charges could not be taken in cost finding. They are not a part of the cost at all.

You come now to a point of fixing a price on copper. The Government was taking it all. Some could be produced for 6½ cents a pound, while some was costing up to 37 cents a pound. The companies that we put down there, we had them identified by numbers. We started in and put the—I can not remember if we put the high-cost operation at the top or bottom of the sheet—at any event a figure which identifies it is the name of the mine or company producing the copper. And the operation was run to ordinary and not to its full capacity. Next, the cost of production, if the operation was running to capacity with the conditions ever changing, because these costs changed every month. The cost changed every month because of the variation in the cost of labor and supplies and material. Then we would assemble from all the departments and agencies of the Government the estimated requirements of copper, and then we would start and add up and figure the total production that was needed for that period, say three months, or whatever it might be. Now, by computation, say you assumed that the copper needed could be produced at 27 cents a pound.

Now, at 27 cents enough copper could be produced to carry the war on successfully on the estimates that would be made. So that if a price of 27 cents a pound was fixed, there would be enough copper, and those producing copper at a figure higher than 27 cents could produce copper and sell it to the Government and others; they could take advantage of their geographical location and profit from the freight differential. Private concerns were willing to pay more outside of the Government price for the copper. But it was illustrative of the fact that the price to be fixed was fixed arbitrarily depending upon the amount needed. You had to put your price high enough to bring in the last needed pound of copper. So that assuming a figure of 27 cents a pound, we found that the 6½ or



cent producers would get a 20-cent net profit per pound, which would be an unheard of thing. And so the device was employed of the excess-profit tax, and that was the only reason that the excess-profit tax was ever thought of. The excess-profit tax in its origin was an equalizer against a maximum price fixed by the Government, and the idea was that while the Treasury would pay to the 6 or 7 cent man 27 cents, he would not keep it. It would be just book-keeping, and the percentage of surtax went up very rapidly, and that 21 cents practically would go back to the Treasury to recoup the Treasury or for the purpose of bringing out this last pound of necessary 27-cent copper.

Mr. McKENZIE. Was there not a leak in that plan in the fact that the fellow producing 6½-cent copper could take the greater portion of that 20 cents and build his plant and increase his plant?

Mr. COLVER. That is what the Federal Trade Commission was checking at that time. We sought as the sheets came in, from month to month, unusual expenditures in betterments or in the case of mining, developmen work, and those were constantly excluded. Whether they were excluded in the revenue department I do not know, but they were excluded by the Federal Trade Commission.

Mr. McKENZIE. That is the point I am making in regard to the new department.

Mr. COLVER. There was a school of thought that had held at that time, that that device of fixing a maximum price, high enough and no higher than would actually bring out the necessary production, and equalize it with an excess profit tax, made an unhealthy, abnormal, and I think inexcusable price structure. The alternative was, that if the Government was to take all of this profit it should take it all at a price from each operator which would represent what was a fair and reasonable profit. Then if it got 100,000 pounds from one man and 200,000 pounds from another and 1,000,000 pounds from a third, at varying prices, the whole thing would come into one pool, and the way the average would be gotten would be by the computation of the net price. And that would be the price to contractor, to the public, and everybody else. That then would be the price. It was argued against that that was impossible because it would take too much machinery. I have not been convinced of that fact.

Mr. McKENZIE. Was not one of the strong arguments against that proposition the fact that the firm producing 6½-cent a pound copper was producing the greatest amount of the copper?

Mr. COLVER. They were producing the greater amount.

Mr. McKENZIE. The man producing 6½-cent copper was the great producer and naturally was opposed to the plan to which you have just referred.

Mr. COLVER. Yes; the other plan would of course have been more in favor. They were opposed to this plan. But the practical reason that it required too great machinery, I did not agree with, because it was not a sound contention.

Mr. McKENZIE. But I think the opposition to it would come from the men selling 6½-cent copper, because they were the big producers, because if they could get away from that excess profit tax, they would get that 20 cents clear profit, and they naturally would try very hard to defeat that proposition.

Mr. COLVER. I see that the second thing which operated, and which should be a warning, I think, to the Nation, if we ever get into another war, is that the declaration of war does not raise the price of a thing that has not been dug or cut and it has been proven that the excess profit tax, instead of being a corrector, is a stimulant to high prices, and the pity of it is that the excess profit tax is still on the books, and still operating, and is the cornerstone at this minute of your price structure. This excess profit tax was only profitable under a fixed Government price, and when you take away the fixed Government price, you leave the excess profit tax, and it is like having a swinging bridge over a prehistoric river and there is not any river.

Mr. MCKENZIE. Do you not think it is a very good leverage for the big interest of the country to monopolize the business, and to prevent small men from getting into the business?

Mr. COLVER. Yes. That goes into the economic and commercial phase of the thing, but this is true, it is not a revenue producer. It is not a revenue producer for this reason: Every dollar of excess profit tax that goes into the Treasury of the United States costs you and I and the men on the street no less than \$5 to get that dollar in the stipulated prices. And if you and I and the man on the street could keep the \$5 we would gladly pay the \$1 taxes in a more direct way. We do not like to pay five for one. I want to pay my share of the taxes, but I want to pay them direct to the Treasury.

Look how it works in steel. There is a typewriter indicating, and here is a little thin piece of steel on the back. Now, from up in Michigan comes a ton of iron ore, and it has 5 cents, assuming the figure 5 cents, excess profit tax on it. It comes down to the lower harbor and goes through an iron plant and there it meets a ton or two of coal with an excess profit tax on it and some limestone with an excess profit tax on it; then they get out a pig of iron with three excess profit taxes on it. Then the pig of iron has to pay an excess profit tax, and it goes to the steel mill and there it meets some more coal and coke, which join their excess profit tax, and then you get the billet. I think that has seven excess profit taxes on it. The billet gets rolled into a plate or thin sheet, and it gets another excess profit tax in that operation. It finally goes through the various secondary processes of manufacture, and you can take your typewriter with 5 or 20 or 25 excess profit taxes in that piece of steel. It is a foundation of the present price structure.

Mr. DOREMUS. Mr. Colver, the draft act was passed May 16, 1917.

Mr. COLVER. Yes, sir.

Mr. DOREMUS. Immediately the Government was confronted with the question of not only constructing the 16 cantonments for the accommodation of the National Guards, but also for the 16 large cantonments for the accommodation of the National Army which were to be recruited under that act. It was necessary to have those camps ready for the receipt of the troops by the 1st of September, following. I want to ask you if you regard that job as an emergency job?

Mr. COLVER. I do. I think that that cantonment work, Mr. Doremus, was outside of the ordinary practice, an emergency. And I think that it had to be met almost without regard to cost, and the

only trouble was that it set a very bad example in the start, but I do not think you could have avoided the cost. It cost terribly, because it was an emergency. It had to be done, and it is not at all unlikely but that the cost plus was the way to do it. And I am not critical about it.

Mr. DOREMUS. I gather from what you say that under the conditions that prevailed at that time, it was not necessary to go into the process as to whether an emergency really existed or not.

Mr. COLVER. It was an emergency to get ready to house these men.

Mr. DOREMUS. Then, it was a self-evident fact that it was an emergency, was it not, Mr. Colver?

Mr. COLVER. Yes, sir.

Mr. DOREMUS. Was your commission ever asked by the General Munition Board or by anyone else to give an opinion as to whether that work should be constructed under the cost-plus system?

Mr. COLVER. No.

Mr. DOREMUS. Am I to understand that the report of the findings which you have read in the record embraced or comprehended the construction of the 16 national cantonments?

Mr. COLVER. We did not know what we were going to do. We had nothing in contemplation, and I think it is more than likely we were suggesting the method and not the means. I will say for the staff of the Federal Trade Commission that we literally worked day and night during that whole period. The lights were not out in the building at any time, but the job was so monumental, with regard to commodities so that our first report, I think, was not ready until somewhere in September, and that did not mean that we were not working. It meant that we were doing a lot of things and were getting it out as fast as we could, and these gentlemen here were doing things under pressure and emergency, between the declaration of war, April 5, and the time that the first cost sheets came through, these gentlemen did not have the benefit and could not have had the benefit of the work which we were doing. We did not have the advantage of a head start except in coal; it was a very great advantage in that, and the price that was fixed on coal by the President's order of August 23 or 24 fortunately could be fixed because in that commodity at least the commission had just by fortunate circumstances a head start, and those prices were fixed, and resulted in a very great reduction in the price to the public and to the Government on coal, and of all the industries, coal was held steady during the whole period of the war. This was only because we had a head start, I think.

Now, the prices that were fixed by the President, when he created the Fuel Administration, remained unchanged except under the principles laid down in this memorandum. That is shown by increases of cost of production, and the President's orders were tentative and suggested that. That was as near as we could get to it at that time. After having been in operation up to around January, I think, a committee of the Senate, I think it was the Senate Committee on Commerce, examined into the tentative prices and costs and examined Dr. Garfield and examined the Federal Trade Commission as to how its cost figures worked out and the prices based

on them, and it was found that only 4 per cent of the tonnage comprehended by the order had this question raised against it, and in only 3 per cent had it been found necessary to make any change. And that 3 per cent came about very largely for this reason: That the prices were fixed in the beginning, intently fixed on the general run of coal, but, for instance, there was mass and lump coal found in Ohio, a peculiar coal that is used only for domestic use, and which is too good to be used for steaming coal. It is too good to be used for commercial purposes. It is a domestic coal just as canal coal. Now, in naming, geographically all of those finer grades around the country were not taken in, but they were immediately taken in and readjusted, and in the aggregate they amounted to only about 3 per cent.

As a matter of military preparedness the Government should be correctly informed at all times of the cost of producing its needed material. The Government ought to know it, and the public ought to know it in times of peace, as a preparation for war, what coal really is worth; not what you can make out of it, but what it is worth. Then let, in the light of a good public knowledge of the cost of profit, competition and supply and demand fix a price that the public is willing and content to pay, and then you can enter into war and it would be inconceivable that any such price structure as was built this time could develop. But it was lack of knowledge. It was lack of a head start, and the first thing that we came through with was, as I said, on September 7, there were five months that had to go by before the first operation was complete, and during those five months the men who were carrying on the war perhaps did not have the benefit of the cost findings, and it was not their fault that they did not have them, and it was physically impossible for those things to be assembled before that time.

Mr. McKENZIE. You were using coal simply as an illustration?

Mr. COLVER. Yes, sir.

Mr. McKENZIE. And the same rule would apply to other commodities?

Mr. COLVER. Yes, sir; everything.

Mr. McKENZIE. In addition to the fact that you say that it was an emergency supply as the national cantonments were considered on the 3rd of April you did issue a communication as a warning to the War Industries Board, and to the country, on the basic principles involved in all of these matters, and you said that there was an emergency so far as the 16 cantonments were concerned. How long would you think that that emergency continued and made it necessary to continue the same system of contracting that was said to be necessary on account of the emergency, so far as the 16 cantonments were concerned?

Mr. COLVER. I presume that would be quite true throughout the building program, and until the buildings were completed. I know that that job was a superhuman job.

You gentlemen must be charitable to me in this, in that during this whole time, my nose was up close to the grindstone, so that I did not see much of the picture.

(The witness withdrew.)

**TESTIMONY OF MR. GEORGE W. FULLER, NEW YORK CITY.**

(The witness was sworn by the chairman.)

**Mr. MCKENZIE.** Will you please give your name and residence to the reporter?

**Mr. FULLER.** George W. Fuller, New York City, N. Y.

**Mr. MCKENZIE.** You were called here by the Construction Division, I believe.

**Mr. FULLER.** I am not informed about that. I imagine it was so.

**Mr. DOREMUS.** You are called at the request of the Construction Division, by the committee.

**Mr. FULLER.** I am here in response to a telegram which I got.

**Mr. DOREMUS.** What is your business, Mr. Fuller?

**Mr. FULLER.** I am a consulting engineer. I make a specialty of municipal engineering, particularly in connection with water supply and sanitation.

**Mr. DOREMUS.** How long have you been engaged in that work?

**Mr. FULLER.** For about 30 years. I have been in private work for 20 years.

**Mr. DOREMUS.** And where did you receive your education?

**Mr. FULLER.** I am a graduate of the Massachusetts Institute of Technology and I have studied also in the University of Berlin.

**Mr. DOREMUS.** Mr. Fuller will you briefly give us some idea of your experience as a practical constructing and consulting engineer, and some idea of the magnitude of the various projects upon which you have been engaged?

**Mr. FULLER.** I have been connected with more than 150 different water supply and sewage projects for cities and towns in this country and to some limited extent in projects outside of this country. I have for some 12 or 15 years been consulting engineer of the department of water supply of New York, and also for the Catskill project for building the Catskill water supply, to the city of New York. I am now connected with the city of Philadelphia in a consulting capacity, with regard to water purification. I am a member of a commission appointed by the Senate Committee on the District of Columbia extensions in 1901, to advise with regard to the filtration of the Potomac River water for the supply of this city, and leading to the filter plant, which was later constructed at McMillan Park, Washington. I have been identified with a large number of sewage projects. I was connected with the Massachusetts State Board of Health, I should say, from 1890 for a period of five years. I had charge of water purification tests of Louisville and Cincinnati for about four years. I have been in private practice in New York since 1899. I have been one of the advisors of the International Joint Commission that has to deal with the pollution and control of the shores and boundaries between this country and Canada. I have been connected with a good many of the large sewage-disposal projects, and sewage systems, and I am now designing a system for sewage disposal for the city of Toledo, Ohio. I did similar work at Lima, Ohio, and numerous other municipalities.

**Mr. DOREMUS.** That in brief covers some of your activities?

**Mr. FULLER.** Yes, sir. I have been connected with a number of projects outside of this country. I do not think it is necessary for

me to mention those. I was detailed to the engineering congress at Paris, to consider the reconstruction matters in France, and have been identified with a good many of the Navy projects of this country, particularly with regard to the sanitary aspect in earlier years and later to the question and the proposition of plants. Perhaps I have not made it fully plain now, in regard to my connection with these large undertakings, which comprehend the preliminary plans, specifications, supervision of construction, and also their operation.

Mr. DOREMUS. Are you connected in any way with the Fuller Construction Co.?

Mr. FULLER. Not at all. Never have been.

Mr. DOREMUS. Have you done much work in Ohio; and if so, in what places?

Mr. FULLER. I was a resident of Cincinnati from 1897 to 1899, of the so-called new waterworks of Cincinnati, and was later there and was consulted during the designing period. I have been connected with the public works of the city of Columbus for a good many years on the subject of water supply, and I have lived in Toledo, where I now have a branch office connected with enterprises of the water supply and sewerage nature, one of them being at Cleveland; also at Lima, Youngstown, and Xenia.

Mr. DOREMUS. I want to ask you your opinion, Mr. Fuller, as to the necessity of the importance of constructing sewers and water systems at the time the buildings are being constructed.

Mr. FULLER. I think it is very important to do so. It is very important to provide plenty of water of good quality, and it is important to provide plenty of water of good quality, and it is important to provide means for the moving of disposal matter, so that the flies will not have an opportunity to transmit diseases. I have very conspicuously in mind the experience of the Spanish-American War, where 1 man in 5 was taken sick with typhoid fever and 1 in 70 died. That has been one of the prominent features of my work, both for municipal and Federal Government enterprises.

Mr. DOREMUS. Do you know anything about the conditions that existed at Montauk, in 1898, during the Spanish-American War?

Mr. FULLER. Yes; I know in a general way about them. They were not in sanitary condition. You are speaking, of course, of the camp facilities?

Mr. DOREMUS. I was wondering if they came under your personal observation?

Mr. FULLER. I am not personally acquainted with the details.

Mr. DOREMUS. During the war did you have occasion to examine or inspect any of the 16 cantonments that were being constructed in 1917—did you visit any of them?

Mr. FULLER. Yes, sir. I visited quite a number of the camps.

Mr. DOREMUS. I would like to have you give the committee some information, if you will, Mr. Fuller, as to whether sewers in connection with jobs of that character are run in straight lines, like down a street, for instance?

Mr. FULLER. Yes; they had to be related to what we call line and grade, in order to provide a flow of sewage and prevent the stranding of solids. Of course, water will not run up hill, so it must have a grade. It is also necessary to maintain an alignment so that the solids will not become stranded and block up the sewer.

Mr. DOREMUS. Would you infer from that answer, Mr. Fuller, that in this particular camp construction that we have under consideration, it was necessary to have manholes on meandering lines so as to take care of the proper gradient in making turns?

Mr. FULLER. The sewers must be laid to line or grade, and they put in manholes at intervals of several hundred feet, and where they desire to make a turn or angle, they put one of these manholes. It is not feasible to lay them promiscuously.

Mr. DOREMUS. We have been told by one of the witnesses that work could have been done by starting in immediately upon the construction of the buildings and barracks and then taking care of the water and sewerage system subsequently. I gather from your answers that you do not agree with that.

Mr. FULLER. No; it has to be done in a coordinated, orderly fashion.

Mr. DOREMUS. Have you had occasion in your experience, Mr. Fuller, to make any special study of the Corps of Engineers of the Army?

Mr. FULLER. Yes; I have a good deal of opportunity at intervals. I was on a subcommittee under the mission board, and in the spring of 1917, and I was a resident of Washington for a period of six weeks or so. And I came in contact with the Engineering Corps at that time, particularly with the availability of the corps of men in connection with the construction of the Army camps during 1917.

Mr. DOREMUS. And what conclusions, if any, did you reach?

Mr. FULLER. That the Engineering Corps was not available for the construction of Army camps in this country. Their tasks were in Europe. They were quite fully occupied at the time with those undertakings and they were not willing to allow men in the Engineering Reserve Corps to be generally made use of in this camp-construction work. That work was an important aspect in the building up of the personnel of what is now known as the Construction Division of the Army, which personnel came very largely from men in civilian life at the outset of the war.

Mr. DOREMUS. Independent of the ability of the men who comprised the Corps of Engineers, I want to ask your opinion, as to whether they were equipped in the spring of 1917 to undertake the task of constructing these 16 cantonments?

Mr. FULLER. I am very thoroughly of the opinion that they were not equipped to do it. That is also the opinion I heard from the Engineering Corps itself. They were otherwise engaged. That was a period when you heard, and which you had from many witnesses, that the men who came to Washington were working 18 hours a day, and the Engineering Corps had its hands full. In this work of the committee, of which I was a member, in fact the work of that committee was with regard to preliminary planning, sanitation, and engineering for the Army camps. In that connection, with my work as a member of that committee, I was brought in contact not only with the engineering undertaking, but with regards to the men who could do that with reasonable certainty in the very short period of 90 days, between the 5th of June, when the conscripted men were enrolled, and the 25th of September, when it was expected to have the first quota sent to the camp.

Mr. DOREMUS. I wish, Mr. Fuller, you would give us your opinion of the result achieved from a construction standpoint and also from the standpoint of the health of the troops under the system that was adopted for the construction of these cantonments?

Mr. FULLER. Well, the records speak for themselves as regards the health of the troops, and that is the very extraordinary record and almost complete freedom from water-borne intestinal diseases in the camps of this country throughout the war. That was a very gratifying result, which I believe completely justified the expenditures made for the sanitary works, for water supply, and for sewerage. The practical absence of any of those intestinal diseases is a striking result, when compared with the Spanish-American War experience, when one man in five was sick with typhoid fever and intestinal diseases. I believe that achievement of construction, that is, the camp, was one of the most important pieces of construction work that I know of anywhere in this country or abroad, taking into account the magnitude of the enterprise, the speed with which it was done, being almost beyond the conception of anyone with whom we talked in Washington when we first came here. It was a very extraordinary fine piece of work, and where the results amply justified the expenditures and the plans that were prepared.

Mr. DOREMUS. Would you care to make any observations of the organization of the Construction Division?

Mr. FULLER. I am always glad to say that it is one of the strongest organizations that I have ever known of in the history of engineering enterprises; that is, its personnel was unusually efficient, composed of unusually efficient men. They got down to work. There was no quarreling, and the efficiency of the organization is very strikingly shown by the work that the force turned out.

Mr. DOREMUS. Have you examined the so-called cost-plus form of contract that was used on this work?

Mr. FULLER. Yes, sir.

Mr. DOREMUS. What is your opinion on it, generally?

Mr. FULLER. I think it is a fair and reasonable arrangement under that style of contract that would allow these Army camps to be built under the stress and speed thought to be almost impossible.

Mr. DOREMUS. I think you have testified that you personally saw some of these cantonments while they were being constructed?

Mr. FULLER. I have seen a number of them.

Mr. DOREMUS. Will you state what camps you visited, Mr. Fuller?

Mr. FULLER. I visited Camp Upton, Camp Gordon, Camp Lee, Camp Meade, Camp Custer, Camp Sherman, Camp Grant, Camp Taylor, and possibly some of the others. Those are the ones that came to me at the moment.

Mr. DOREMUS. There has been considerable comment, Mr. Fuller, that because of the fact that Mr. Starrett and other well-known contractors were associated on the emergency constructing committee recommended to the Construction Division certain contractors who in their judgment were qualified to undertake these various jobs, would like to ask your opinion as to whether if the country should be involved and concerned with a similar emergency in the future the work of designation contractor and making contracts should be left to men who have had no experience in construction work?



Mr. FULLER. It should not be left to such men. I am very positive about that. I have had a pretty fair appreciation of the work that had to be done in building the camps, and perhaps it might help the committee for me to speak of a few features in regard to the lack of a definite program in the early summer of 1917. That is, these Army camps, for instance, on the 15th of June, when Congress made appropriations for building quite a number of these camps, the sites were not selected, and it was as late as the 27th of June before some camps were selected. In this connection there were a number of very unusual features which developed, which resulted in making the plans a very uncertain proposition. I am speaking now to the point of the need of having a flexible arrangement in order to get this work done promptly. - There was uncertainty even during the second week in June as to whether the camps' barracks should be 365 or 500 cubic feet of air space per man. That was in the hands of the Surgeon General's office as late as the second week in June. Another feature of a good deal of significance was the great uncertainty attached to the size of the squad unit, that is, the number of men in a company, and a multiple of the unit to make up brigades, regiments, and divisions.

Plans were first developed on the basis of 150 men to a company, which I think was the legal status of a company unit. On the 18th or 19th of May, immediately following, this committee, of which I was a member, was informed that the number of men in a company was moved first to 200 men and then after Gen. Pershing made his report, after he had a chance to consult with the military authorities of the Allies in Europe, it was finally advanced to 250 men per company. Now, all those things were quite upsetting in the nature of the plans. The result was that conditions were so upsetting that on the 15th of June the surveyors were not at hand here in Washington, and in some places it was not known where the site was to be. It was well along in August, consequently, before the barracks took their final shape in point of standard size, fitting the 250-man company and multiples of that going on to make areas for the brigades, regiments, and divisions.

Now, it has to be borne in mind how variable all those elements were. How flexible the program of actual construction should be. Now, when it comes to the selecting of the contractors I was one of five men on the committee that made the recommendations to the Munitions Board. You spoke of Maj. Starrett. He was chairman of that committee. I was one of the five members. We found right away that it was necessary to get men who had the organization and the financial ability to do the work from the very start. There was not any time to build up an organization or to get men who were not acquainted with each other building up a financial organization without the practical experience. That was one of the principal reasons why it was necessary to go to organizations that were experienced, who had the work program and personnel and had the financial ability to go ahead and do this work. It was not a job for a small contractor. Now, Maj. William A. Starrett was not a contractor. He was a practicing architect in 1917, a member of the firm of Starrett & Van Bleck, and I am sure there was no relationship between him and any contracting organization which had any influence whatever in regard

to the selection for any of the Army camp contracts. Another feature in influencing the judgment of the committee, I am sure, with regard to the selection of these contractors was—

Mr. DOREMUS (interposing). Mr. Fuller, I want to ask you whether the conditions to which you have previously called our attention, and which existed in the spring and summer of 1917, have any bearing upon the question of whether it would have been advisable at that time to have adopted the so-called lump sum or fixed price as the basis of the contract for these cantonments.

Mr. FULLER. It would have been an impossible thing to have based the cantonments on any such basis. The program of procedure was not definite enough, so that if any contractor was to have bid on a lump-sum basis, with unstable conditions in regard to labor and material prices, and with the shifting that had to be done, he would have needed a figure that would have been outside of all reason, in my judgment. All those things were talked over very carefully during May and June of 1917.

Mr. DOREMUS. What is your opinion, Mr. Fuller, as to whether the lump sum or fixed price form of contract would have been more economical to the Government?

Mr. FULLER. I am very positive in my view that it would have been more expensive to the Government?

Mr. DOREMUS. Would it have had a tendency to increase the speed with which the various jobs were constructed?

Mr. FULLER. No.

Mr. McKENZIE. You stated at the outstart of your testimony that you were somewhat familiar with the Corps of Engineers and that in your judgment the Corps of Engineers would not have been capable of carrying on the work of constructing these camps and cantonments. How many officers were in the Engineering Corps in May 1917? Do you know?

Mr. FULLER. I can not tell you from memory. I no doubt knew that time.

Mr. McKENZIE. Have you any idea now?

Mr. FULLER. No; it would be a mere guess.

Mr. McKENZIE. Do you know how many reserve officers the Engineer Corps detailed to the Construction Division?

Mr. FULLER. There was only one, possibly two, right at the beginning of the work, during the period when I was here in Washington.

Mr. McKENZIE. You are speaking of the constructing men in the Quartermaster Corps, and to refresh your memory, I will refer to you. Gen. Littell, Gen. Marshall, and Col. Oury.

Mr. FULLER. Yes, sir.

Mr. McKENZIE. But it is a fact that the Engineer Corps detailed a certain number of officers.

Mr. FULLER. There were only one or two during the early summer of 1917, during this active period of construction.

Mr. McKENZIE. About what time are you referring to?

Mr. FULLER. I should say in June and July, 1917; later on there were some more.

Mr. McKENZIE. If the Engineer Corps detailed 68 reserve officers to the Construction Division, it would have been a matter that you did not know anything about?

Mr. FULLER. It would have been later; yes, sir.

Mr. McKENZIE. You have spoken very highly of the members of the Construction Division; so could not those men have been commissioned in the Engineering Corps and rendered just as good service?

Mr. FULLER. No; they could have been commissioned in that corps, but I doubt very much if they could have done as good work.

Mr. McKENZIE. You think they would not have been as efficient as engineers as construction men?

Mr. FULLER. I do not think the direction of the work would have followed along the same lines.

Mr. McKENZIE. Have you heard any criticism of the work of the construction men in France, from any source?

Mr. FULLER. Yes.

Mr. McKENZIE. Have you heard criticism?

Mr. FULLER. Yes; I suppose it is perfectly natural with regard to all work.

Mr. McKENZIE. What was the nature of the criticism—that the work was not efficient or that they did not succeed in getting the construction up?

Mr. FULLER. I should say, speaking broadly, it was the very lack of direction, which was so conspicuously well handled in private or construction division work.

Mr. McKENZIE. My reason is that Gen. Pershing, in his report, spoke very commendatory of the work of the Engineers in France.

Mr. FULLER. I have no desire to belittle the work of the Engineer Corps in France. The point I wish to make a little plainer than I have is that the construction division brought a great many very practical and experienced builders to the aid of the Government, and they were men who had been in engineering organizations and contracting organizations, men who had the ability and the "know how"—ability to get things done efficiently and quickly. That is the training that is conspicuous of the construction division organization and the organization subordinated in them. The Engineer Corps did get some men of that type in the Reserve Corps, but they were not able, so far as I was able to see personally in my four or five weeks in France, to pick up and speed and get under way with the same style of directness and force that characterized the work of the Army Construction Division.

Mr. McKENZIE. They were, of course, handicapped by labor to some extent in France, which handicap you did not suffer from in this country.

Mr. FULLER. Not so much.

Mr. McKENZIE. Mr. Doremus interrogated you with regard to the health of these men in these various camps and cantonments and apparently drew a comparison between the wonderful results along that line in the late war compared with the war of 1898.

Mr. FULLER. Yes, sir.

Mr. McKENZIE. And you replied by stating that it was very remarkable, indicating in a way that the construction of the camps, and so forth, had much to do with it.

Now, I want to ask you, Mr. Fuller, in all fairness, do you think it was not more due to the activity of the Medical Corps and the good

health of the boys, aided by the discoveries that science has made since 1898, such as preventive for typhoid fever and various other diseases, or the cost-plus contract system? Your answer would indicate that the work of the Construction Division took care of the men. There is not any connection, is there, Mr. Fuller?

Mr. FULLER. The form of contract, of course, had nothing to do immediately with the health of the men. The point that I was speaking about was that the sewerage facilities and the water supply were most excellent and met every need, and if they had not been as efficient and as excellent, and if they had been as they were in 1898, I do not believe that the procedure against typhoid or the accomplishments of the Medical Corps could have brought about this very gratifying result. I grant you that the vaccines against typhoid is an element, and that the Medical Corps people had a very bitter experience in 1898, and that taught them to be efficient.

Mr. MCKENZIE. And the act of Congress in increasing the number of surgeons had something to do with it?

Mr. FULLER. Yes; it did.

Mr. MCKENZIE. Is not it a fact that the Medical Corps or the Surgeon General, represented by some of his subordinates, had much to do with the selection of the various camps and cantonments, and that it was the Surgeon General and his force that had to do with seeing to it that the boys had a sufficient number of cubic feet of breathing space and saw that the water supply was adequate and right, and that the Construction Division simply put up the construction work? The Construction Division had no jurisdiction over those matters.

Mr. FULLER. Now, the Army camp was selected in this way: The Secretary of War directed the commanding general in each department to make a report, and each commanding general in May, 1917, sent out a special board, and on that board was a line officer and an engineer and a Medical Corps representative, so that that board reported back to the commanding general, who in turn reported back to the Secretary of War; that was all with regard to the selection of the camp. Then, with regard to the water supply and the choosing of the water supply, in regard to its source and treatment, the Medical Corps had nothing to do with it. When the works were completed, however, the Medical Corps, represented simply by a member of the Sanitary Corps, took some analyses to show that the water was of a satisfactory quality.

Mr. MCKENZIE. We would understand you to mean that the Construction Division did the engineering and layout work. They employed engineers to do that.

Mr. FULLER. They employed engineers, but those engineers were from civilian life, and they were the servants and the representatives of the Construction Division. That was one of the things that the committee in May and June, 1917, was immediately connected with. That is, the reports made by this local engineering organization on the water-supply project, say, for example, Camp Grant. Local civilian engineers, having looked the thing over, would come to Washington and then the question of the water-supply feature was talked over on this committee, Gen. Littell, and Maj. Marshall then, and the program and procedure was determined upon. The Medical Corps had nothing to do with these matters at that stage.

Mr. McKENZIE. Is it not a fact, Mr. Fuller, that they let contracts to engineers at these various camps, or at least to some of them?

Mr. FULLER. Yes; they did.

Mr. McKENZIE. So they had outside engineering firms to do the engineering?

Mr. FULLER. Yes, sir.

Mr. McKENZIE. And the Construction Division had nothing whatever to do with that?

Mr. FULLER. That view is entirely wrong. The facts are that the Construction Division would direct the work of these men who were engaged by contract to do engineering work. They were all subject to the control of the Construction Division, absolutely.

Mr. McKENZIE. Well, do you contend, for instance, that Col. Cooper, he may be an engineer, I do not know. But he was in charge of the construction, for instance, at Camp Jackson. But we will suppose that he did not know anything about engineering and he employed an engineer to do the engineering work. Do you assume that that man, simply because he was in charge of construction there, would dictate the policy of the Engineering Corps to men who were practical engineers?

Mr. FULLER. They certainly did.

Mr. McKENZIE. Or did they leave it to the engineer?

Mr. FULLER. The engineer carried out the details of the program. That was all put up to the Washington office for consideration, review, and on those recommendations were made. I know personally that there were some in Camp Jackson; they were under the jurisdiction of the Construction Division in our Washington office. That is a fact.

Mr. McKENZIE. I take it you are pretty strong for the continuation of the Construction Division as a part of the Military Establishment?

Mr. FULLER. I am strong for the continuation of the efficient methods which that division has demonstrated so happily for this country, I believe, in its efficient and adequate directing force. I am not at all interested in it, though.

Mr. McKENZIE. If the Engineering Corps could do the same work, you would be perfectly satisfied to have the Engineering Corps do it in peace times?

Mr. FULLER. Absolutely; assuming that it had the same experience that this group of civilian men had. It is the method to which I am referring to. I do not think the Engineering Corps would have experience for that.

Mr. McKENZIE. Do you know whether that would be good experience for the Engineering Corps in peace time, so that they would be prepared for war?

Mr. FULLER. It is a rather broad problem.

Mr. McKENZIE. I want to ask you, Mr. Fuller, about this emergency construction committee, and I am not attacking the committee in my question, but I want to ask you as a practical business man, a man who has seen a good deal of life, if that system or the plan that they adopted would not make it absolutely certain that if that committee desired to take care of their friends it was possible to do

so. I am not saying that they did it. I want to ask you if, under that system, it was possible?

Mr. FULLER. Theoretically it was possible. It might be true under any other arrangement; but I state from my personal knowledge that it was not the fact.

Mr. MCKENZIE. We will not get into a discussion on that, but one of the provisions they put into their emergency contract was that a contracting concern should have at least two years' experience, and the evidence has been disclosed or the evidence disclosed the fact that that was not followed in a number of cases; that firms were organized after the war was declared and got contracts.

Mr. FULLER. I am not informed about such new concerns being formed, but I should say from what I know that there must have been very few, if at all, and when they were formed they were simply a consolidation of organizations that had been in the field for a considerable period now. I can not name them, but I do know of one or two such instances.

Mr. MCKENZIE. But the system was open to that criticism at least in the way that it was done, and it was possible for those men to select their friends to do this work if they saw fit to do it.

Mr. FULLER. Theoretically it was possible, but, as I say, it was not done, in my judgment, within limits of my intimate association with the selection of the 32 contractors.

Mr. MCKENZIE. My experience in life has been that we are a more or less human, and that we sometimes love our friends more than we do our enemies, and under a system that would permit the exercise of those things it leaves it open to the criticism that this might have been done.

Mr. FULLER. There are potentialities there for criticism, but the big thing was that we did get these men into camps and took care of them in September. It was an extraordinary accomplishment which amply justified the program of procedure that was adopted to bring it out.

Mr. MCKENZIE. The only criticism we make of the whole thing is the cost-plus system, some of us believing that at that time with contractors sitting idle in their offices with nothing to do, with business at a standstill, and the American boys not having been drawn for the draft, labor was plenty. And we believe that the same results could have been accomplished, perhaps in another way that would have saved the Government perhaps many millions of dollars. Your judgment is that we would not have saved anything; but that is a matter upon which men differ in their opinion.

Mr. FULLER. Yes; if I have helped the committee in any way, I hope it is in one of my remarks that I have made that it was absolutely imperative to have a flexible program of procedure, with this whole question of uncertainty as to the size of the barracks, number of men, etc. It could not have been possible to have prepared a definite contract upon which any lump sum or unit price could have been bid.

Mr. MCKENZIE. I want to ask you, Mr. Fuller, whether or not the construction of these camps was simple or complex?

Mr. FULLER. The buildings were relatively simple work compared with modern structures of a permanent nature, but multiplied that is, the number, then, and the magnitude of the enterprise made

it a very unique and a very remarkable proposition with regard to the contractual conditions to be met with.

Mr. McKENZIE. The character of the construction was all the same, and if a man could have been capable of figuring 1 cubic foot or one building he could have simply multiplied that by the number of feet or number of buildings to bring about the necessary construction, could he not?

Mr. FULLER. Theoretically he could, but just as soon as one of these large camps was put under contract it made such a demand for the labor in that district that any contractor who would have attempted to bid would have been confronted with so many contingencies that his percentage would have quickly disappeared. No contractor, with this country going into war and with the situation in regard to the draft in connection with our young men, would have dared to bid, unless he would have done so at a bid physically out of reason.

Mr. McKENZIE. There were many of them, however, who were able to bid.

Mr. FULLER. I was not able to ascertain that.

Mr. McKENZIE. Of course these buildings were put on posts. There were no foundations in any of these camps. Now, the fact that the camp might be located on uneven ground, as you spoke of a while ago, would not make it difficult to construct these buildings, because you would simply cut the posts a little longer on one side and level them up, and in many of these camps some of the buildings are on the hillside, some on top, and some were down in the valley.

Mr. FULLER. That is so.

Mr. McKENZIE. The dangers that were brought about by deciding to put a larger number of men into the barracks buildings was a very simple thing, was it not?

Mr. FULLER. It required so many more posts and so much more of everything else. I was speaking of the change in the dimensions of the buildings, from the standpoint of showing conditions with regard to flexible procedure and not speaking against that, because it would be a simple matter to go and let a contract for so many buildings 40 by 160 feet as to dimensions, but when the location of these buildings was uncertain, and also the length and breadth, and the uncertainty as to whether you were within 1 mile or 15 miles of the railroad. All those elements of procedure would make it impossible for any contractor to have bid on a basis other than that.

Mr. McKENZIE. Those would have been called extras, and charged for, and would have increased the price for that work.

Mr. FULLER. Yes; the contractor would not only have done that, but if there was a chance for it to have been done that way, he probably would have named in his contract payment, or made special provision for those to be paid, whether they were actually needed or not.

Mr. DOREMUS. Mr. Fuller, Col. Cooper gave me this suggestion: For every barracks on posts, there is a lavatory not on posts; the lavatories have concrete walls and floors and nearly always require some grading and back filling, all of which requires time; is that correct?

Mr. FULLER. Yes, sir.

Mr. DOREMUS. What can you say as to whether camps should be built on level ground with no drainage?

Mr. FULLER. It is not desirable. It is very important that you get some drainage.

(The witness withdrew.)

(The committee took a recess until 1.30 o'clock.)

**TESTIMONY OF MR. LEONARD METCALF, 14 BEACON STREET,  
BOSTON, MASS.**

(The witness was sworn by the chairman.)

Mr. McKENZIE. Will you please give your name, residence, and occupation to the reporter?

Mr. METCALF. My name is Leonard Metcalf, my home is in Concord, Mass., and my office in Boston, at 14 Beacon Street.

Mr. DOREMUS. What is your business or profession?

Mr. METCALF. I am a civil engineer.

Mr. DOREMUS. How long have you been in civil engineering?

Mr. METCALF. My experience has dated from 1888. I have been practicing since 1897 under my own name.

Mr. DOREMUS. I wish you would briefly give the committee an idea of the scope of your work and duties as a civil engineer in private practice.

Mr. METCALF. Do you mean by that that I should indicate the scope of work that I have done or the profession at large?

Mr. DOREMUS. Give an idea of the scope of the work that you have done as a civil engineer.

Mr. METCALF. I graduated from the Massachusetts Institute of Technology in Boston in 1892. I began, however, to work several years before that. I went into the office of Wheeler and Parks, who were owners and operators and builders of waterworks in this country. I was sent to various places on construction work, and on operation problems. I spent two years at Amherst College, teaching civil engineering there and mathematics, and then came to Boston to begin practice in my own name as an engineer in 1897. My work has been largely along the waterwork-construction operation, valuation, sanitary line, sewerage, and such work. Also some housing problems.

I formed the partnership with Mr. Harrison B. Eddie in 1907. We practiced under the firm style of Metcalf & Eddie since that time. Our work has been perhaps mainly the designing of waterworks and sewage systems, and problems connected with the operation of waterworks for municipalities and for corporations, and in the valuation of waterworks, utilities, and for some years, 9 or 10, I had taken out for five or six waterworks, property, water and light problems in the Middle West chiefly for the bondholder until I finally took them up and sold them. We have advised many organizations and cities with regard to waterworks problem. I think with something like 140 or 150 of that sort. One of them was the committee in Boston, where, for instance, we served the original Boston Finance Commission for a period of about two years, investigating the water sewer, and street department. We have advised San Francisco and the Spring Valley Water Co. with regard to its problems; Denver.



Indianapolis, and Scranton, also Wilkes-Barre, and as far southwest as San Antonio, also in Florida, Tampa, and at various parts of the country. We are now serving either in waterworks or sewage problems the cities of Dayton, Milwaukee, Cleveland, and doing work designing filtration plants for one of the large manufacturing establishments in Erie; we also recently did some work down in Tampa and at Fort Worth, Tex., and various mill properties in New England, in connection with their waste disposal and problems of that sort. We have had the management of some water and light plants in years gone by, but we are not doing that directly at the present time. Of course we ordinarily number among our clients cities and towns quite as frequently as corporations in such work.

Mr. DOREMUS. Mr. Metcalf, are you familiar with type of construction that was employed in the construction that was employed in the construction of the 16 National Army cantonments?

Mr. METCALF. Yes; I am, sir.

Mr. DOREMUS. I want to ask your opinion as to whether the work of constructing the water systems, sewer systems should have been handled with the construction of the building?

Mr. METCALF. I think it is advantageous to do so; yes, sir.

Mr. DOREMUS. Will you please give the committee your reasons for that opinion?

Mr. METCALF. Well, two general conditions make this desirable. One is the question of the health, and the other one is the question of economy. Of course as applied to the construction of cantonments and the camps the one problem which was always before the committee was the question of saving time. It would have very substantially increased the time required to build the camps and cantonments if these two works had not gone on contemporaneously. Ordinarily, we find it advantageous to carry on work that way on various projects. We do not do one grade work, then finish it, then start another grade, but we keep the various plans of work going along at the same time. Certain details may be put off till later. Of course the question of pure-water supply for so large a crew of men as 10,000, such as were used in the construction of these camps, becomes one of great importance. It is necessary to keep those men in good health during the construction period, and that was one of the important problems in the construction of these camps, in order that no time might be lost in the construction. I think that it is generally found to be advantageous to carry such work on together.

Mr. DOREMUS. Is it your opinion that it is more economical to have the construction of the water systems, the sewer systems, proceed with the construction of the buildings?

Mr. METCALF. Yes, sir; it is, sir. Of course you see anything that you do to unnecessarily prolong the construction period means that the interest account is running against you. You have your investment in part of the plant which you can not use until it is completed; and it is also desirable to keep your work well coordinated so that you are keeping your gang well organized and advantageously employed.

Mr. DOREMUS. Is there any difference in the construction of sewers in cities and these various cantonments as regards the running of the lines?

Mr. METCALF. No essential difference. There is, of course, the fundamental factor which makes it easier in the camps than in the cities in that you have not the obstruction in the camp that you have in the city. In the cities you have a great many underground obstructions, which complicate the problem tremendously, but in so far as running the lines straight from point to point, manhole to manhole, and maintain a condition of maximum flow which must necessarily be brought about by laying your pipes direct and true to line and grade. There is no difference one place or the other. If you do not lay your pipe true to line and grade you can not operate satisfactorily and you do not get the maximum flow for a given expenditure of money in the sewer.

Mr. DOREMUS. Are you familiar with the results obtained by the Construction Division in the building of these cantonments?

Mr. METCALF. Yes; I think so, sir. I visited, I suppose, 10 or 12 of the camps and cantonments as far southwest as Camp Kearney and Fremont, on the Pacific coast, and down south in Florida and the region about Norfolk, and as far north as Camp Deavens, which is just about 4 miles or so from my home; and I visited Camp Upton and Camp Dix and Camp Meade and Camp Gordon and various others. I visited these camps during the construction period and after.

Mr. DOREMUS. Give us your opinion of the results obtained from the standpoint of construction and the health and the sanitation.

Mr. METCALF. In my opinion it was one of the most remarkable bits of construction about which I know. As to speed, I think it was unparalleled. It certainly was, taking into consideration the magnitude of the task, and I believe that the construction was very well adapted to the situation. Of course, in judging any such work must be measured from the points of view of foresight and not hindsight and I think a just recognition of the most, what was the most important factor, which people usually overlooked in work of this sort—the time element—the saving of time, the getting of the camps ready by the earliest possible moment. It was the one thing that everybody had in mind and was discussing. In this regard it was the question of making plans for these camps. This question was of the utmost importance that the organization should be effective in completely controlling the situation, yet sufficiently decentralized to be able to handle work of that magnitude. I think the accomplishment is a most remarkable one that the organization was able to keep so many very large projects going on at the same time with such rapidity as this organization was able to accomplish, and I do not think any organization made up or controlled by others other than those who had experience in that sort of construction work—I mean to say in the general construction, who have been able to do it. I think the record is one that we all may be proud of. When you discuss the record with that of others I think the record made is an excellent one. Had it been possible to have had 3 or 4 years in which to build the camps they could, of course, have been built at much less cost, but conditions were changing exceedingly rapidly and camps which in the first instance had been estimated to cost two millions or three millions finally cost 10 millions or 11 millions of dollars, but the increase in cost could not be anticipated by reason of the fact of the increased requirements of the

and by the increasing price of both labor and material, which increased from day by day, by leaps and bounds, that is during those early days in May and June and July.

Those conditions could only be met by a group of men whom you had here, who were skilled in such work and who had a just appreciation of the difficulty of the administration of the problem and were able to reach production quickly. Typical plans which would serve in different localities were quickly developed, and so early in the game the organizations were arranged so that those plans could be put into effect quickly, effectively on the ground and under very diverse conditions which had to be met at the various sites. Of course, there was involved in that problem not solely the question of men, the organization of labor forces, but also the assembling of materials, and then the accounting for the work.

Mr. DOREMUS. What is your view, Mr. Metcalf, as to whether it would have been advisable to turn that work over to the Engineering Corps of the Army?

Mr. METCALF. It could not have been done at that time. As bearing upon that problem, I might say that the Engineering Corps did not have the men in the first place. We certainly were, all of us, very definitely of the opinion, from what we heard from the Engineering Corps men and others, that the Engineering Corps itself did not want to undertake the task. As bearing upon that point, I might say that three or four of us, I remember—there was Mr. Fuller, Mr. Hunt, secretary of the Association of Civil Engineers, and I proposed a fourth, probably a member of Gen. Littell's staff, went out with us to call upon Gen. Black to see if men would be available not only to investigate the sites, which was the immediate problem which we were facing, but subsequently to take charge of the engineering work in these several cantonments and camps as soon as the organization could be made. His answer was "No"; that he had not the men; that all the men of his corps were necessary for the problems which he then had in hand, especially for the problems abroad. We then asked him if we could have the men on the Reserve Corps list. He said "No"; that we could not have the men in Class A of the Reserve Corps, because those men would probably go to the training camps, and those of them who were fit would go abroad, say, in December. This was in May. We then asked him about the Class B men who were older, who were not available under the limitations of the department laid down by Gen. Pershing for foreign service. He said that for the Class B men that we could have any men except those whom he might want to send to the camps with the idea of training them for the foreign service.

We went over those lists at that time, and there were very few men that seemed to us that were on this list that were available for this work. Of course, those men were not Engineer Corps men at all; they were civilian engineers who had offered their services to the Government, making an offer to the Engineer Corps. Subsequently some men were drawn into the service of the Construction Division, I believe, from the Engineer Reserve Corps, but it does not seem to me that they are to be regarded as Engineer Corps men. They were essentially civilian engineers who had been put on their list after they applied for work.

Of the Regular Army men in the Engineer Corps, I know of only one, I think, Maj. Carey, who was serving on this committee with Col. Starrett, who as a matter of fact attended no meetings while I was there. I saw him at this meeting with Gen. Black. I was in Washington for nearly three months—two months certainly and subsequently for another month—during 1917 on this committee work, beginning about May 19. And I am sure that it was not for lack of interest that he did come, but because he was so tied up with the work of his department, under Gen. Black, at headquarters, on the work, that he could not give the time to this, and as far as I know no men were drawn at that time from the Engineer Corps. The only Regular Army officers at that time who had been drawn into the Construction Division, so far as I know, were Col. Littell, Capt. Marshall, as he then was, and Capt. Oury.

Mr. MCKENZIE. Do you know whether there were any quartermaster men?

Mr. METCALF. There were none of them engineering men. I think they were the only Regular Army men. There was Capt. Doten. He is a major now, who was assigned to the work subsequently. I think he had worked with the quartermaster some prior to that time. And then there was another man. I think those are the only three Regular Army men made available to the Construction Corps at that time.

Mr. DOREMUS. Do you think that your views of the result achieved by the Construction Division are shared by the profession generally throughout the country?

Mr. METCALF. Yes; I do, sir. I am quite certain of that.

Mr. DOREMUS. Would it have been advisable Mr. Metcalf in the spring and summer of 1917 to have let the contracts for these camps and cantonments on the old lump sum basis. What is your comment on that?

Mr. METCALF. You mean facing the situation of the building the camps before September?

Mr. DOREMUS. Yes, sir. I mean in view of all the circumstances and conditions and requirements that existed at that particular time.

Mr. METCALF. I am very confident, sir, that it would have been impossible, literally impossible, I say that for this reason—this was a question of cost was very carefully discussed by the committee. It was by many of the leading engineers and contractors of the country who came to Washington at the call of the subcommittees to discuss this whole question. The committee primarily definite in regard to the exact work to be done, which could be specified with a fair degree of definiteness, but it would not have been possible to have gotten figures, competitive figures from the contractors, which would have contained in them only a reasonable margin. In other words, the loading of bids was to take care of the hazard element which all contractors were facing at that time would, in my opinion, have been much greater than the excess cost which was paid under normal conditions, resulting from this form of contract.

Moreover to have done the work in that way would have involved, as we believed, six weeks' delay. It would not have been possible to have assembled the essential information and gotten plans out on which to have gotten competitive bids on the work and then let contract. The organization of forces under the

system would have resulted in a delay of at least not less than six weeks. It might as well have been two months. Now that was out of the question. You could not take two out of the three months for bidding and build those camps. Moreover, to have submitted the construction of these camps to competitive bidding on short notice with ill prepared plans, would have meant and would of necessity have resulted in the receiving of many bids from men who could not have had the experience, or who were not prepared and perhaps not competent to do the work on such a scale with such a time limit.

Then perhaps, too, with a fair time limit they might have done the work well. But we felt so keenly that we should not run the risk in taking the position which would put the Government in the position of running the risk of getting incompetent men, that we strongly urged that on this emergency work, only those contractors or contracting firms should be considered who had actually demonstrated in their work theretofore their ability to handle work running into millions of dollars in a short space of time. We wanted only to consider men who had considerable experience in housing considerable numbers of men in the conduct of such work. We realized that the awarding of the contracts to men who had not already demonstrated their ability because of getting the low bids would inevitably lead in some cases at least to not completing the work within the time limit which was necessary and which would have been very embarrassing to the Government subsequently, in the taking of the work out of their hands because they had failed would lead to delay, involve more machinery, involve very heavy claims, damages subsequently, and so that the more we reasoned, the more we came to the point on this problem that it was absolutely necessary to remove from the contractor, as far as possible, the hazard element, and call to the assistance of the Government on that work only contractors who had organization. We determined only to consider contractors who had experience with work of magnitude, and those conditions could not be met within the time limit available under any other method of contract which I know, and I know that all other methods of contracting that were tried before have been discussed by the committee and I might add that in the discussions the committee had not only an engineering point of view, but they had the contractors point of view and they had the regular point of view of the legal profession, and of course we had the Governmental point of view.

Mr. DOREMUS. Of which committee are you speaking now?

Mr. METCALF. I was speaking of Col. Starrett's committee which discussed it, which called to its aid through its subcommittee the contractors, organizations, or engineering firms, for instance—I remember one Sunday or one Friday night rather we sent a telegram to Mr. Fuller and to New York and to Chicago and Philadelphia and so on, asking a great number of leading engineers, mechanical engineers and architects to assemble in Washington Sunday morning to discuss this form of contract. Those men finally came together with their judgment on this very question. The question was discussed with the resolution in the same way.

Mr. DOREMUS. You were not a member of the Emergency Constructing Committee?

Mr. METCALF. No; I was a member of a subcommittee which reported to Mr. Olmsted.

Mr. DOREMUS. Do you recall the name of that subcommittee?

Mr. METCALF. No, sir; I do not, but there was Mr. Fuller. Mr. Phillips, and me.

Mr. DOREMUS. Do you know the name of the committee?

Mr. METCALF. I do not remember. I think it is in the record.

Mr. DOREMUS. Mr. McKenzie, the chairman of the subcommittee has asked me to ask you what the duties of that subcommittee were primarily?

Mr. METCALF. I do not know that I can define those. Mr. McKenzie. We did whatever came along. The first general question that faced us was the form of contract, emergency contract, which was under discussion, and which had been framed before my arrival in Washington.

The next question was the formation of a contract under which engineering work might be done. The forms of the buildings were discussed, whether single story or two story. The first work which we actually did after we got here was to send telegrams to leading engineers whom we knew in different cities, on knowing where the camps were to be located, asking them to voluntarily go out to the sites and assemble the information—make surveys, get all information, make contour maps necessary, study the water-supply problem, the sewage problem, the railroad connections, and the public service—like the telephone and the telegraph, and so on, and report to Washington as soon as possible.

Some of those reports we had within three days. I remember from Camp Devens, Mr. Barber, came to Washington within a week. I think in something like six days, having made topographic maps of the region of some 1,600 acres of land, and I think a study of the water-supply problems, upon which we took final action then, as to the method of sewage disposal, and of the railroad connections, and the telephone and telegraphic service, so that long before Congress had appropriated funds to make any work possible we had the essential information concerning all of the camps the location of which had been determined, and that was done through the aid of civilians because the Engineering Corps was not in a position to call, as it was possible for us as civilian engineers—if you are interested I can give you of a very humorous interview we had.

We said to Col. Littell, who was then in command, that if the Army staff would only advise us of the sites under consideration for camps, we would study the alternative sites without waiting for a final decision, thereby saving hours of time or days of time. At that time, of course, saw the point. He immediately recognized the magnitude of his task and the small amount of time available, and asked the staff to send an officer to discuss the matter with us. I think it was Gen. Shaw, the Quartermaster General, who came down to see us, and we said, "General, we have an idea that time would be saved if we could know the sites that you have under consideration, so that we could send out engineers and get information at the various points." And he turned to me with military directness and he said, "By what authority?" I said, "No authority, we are here only as civilians to do what we can at this particular time." I told him that it occurred to us that Congress had not acted and provided

would not act for some days finally on the appropriation. In fact, it was several weeks later before the bill was passed. I told him that on a task of that magnitude I did not think we should lose even hours of time.

You see, we would have appealed to the civilian engineers for our information. There were no funds available at that time for the work. We did not even have quarters, except such as the Council of National Defense had assigned to us. We told the general that with regard to the camp that had been designated, that we had already the essential information, and told him "You can use it or not, as you choose. You can pay for it if you choose, and if you pay for it you will pay for it according to your own standards, but we will do all we can to help you, and not make the task a more difficult one." Gen. Shaw was more courteous thereafter and he did all he could to help us expedite the work and make our preliminary investigations. That sort of thing is often possible to civilians, which is difficult to the Engineering Corps. We certainly had an advantage over the Engineering Corps in a knowledge of the engineers in the different parts of the country, through our associations, so that we could appeal to them directly in a way that it would be difficult for the Government to have done. We wanted to make use of every available source, so as to expedite the work, because we all felt it very keenly that it was a tremendous task which faced whichever corps was finally put upon the work.

Mr. DOREMUS. Mr. Metcalf, what element contributed to increase the hazard of the building at that time?

Mr. METCALF. The first and foremost one was the uncertainty of the labor situation. The contractors felt that very keenly. That, of course, was aggravated by the Government's own business. They had not the machinery to carry on such a work as lay before the Government. It resulted, of course, in the Government's bidding against itself on the local available labor supply. Take the situation down about Norfolk. 5 or 7 different pieces of work were running into millions of dollars and they were bidding for the same labor, with the result that it made the position of the builders exceedingly difficult. There was a second consideration that materials were not available. Certain kinds were scarce in certain localities. And then there was the third difficulty of the railroad situation, which was quite a grave situation. I think the worst conditions existed at Alexandria, which seemed to be the neck of the bottle, and of course you know a great deal of the materials were shipped by trucks that should have gone by rail. We simply did not have the facilities, so that the question of materials and the question of labor both, as well as transportation, constituted great hazards from the bidding point of view. That is the contractor's point of view.

Mr. DOREMUS. Are you familiar with the work of the Construction Division?

Mr. METCALF. In a general sort of a way. Of course I was entirely familiar during the first three months. I saw it through with such rapidity. I also had to do with its organization in 1918, when Mr. Fuller and I became apprehensive about the operation of the camps through fear that perhaps they had not faced the fly season and that there was latent danger in the transfer of one body of men from the

camp and another to the camp. We felt that there should be a permanent body of men to operate the utilities.

In other words, we felt that to have a whole camp outfit go there and a new set of men coming in to run the waterworks and sewer system and the utilities generally, who were not quite familiar with those utilities, carried with it a certain menace and that it was wise to have a permanent utilities corps, by whatever branch of the service it should be operated, but which should look out for those utilities continually, rather than to have the men who were running the waterworks, for instance, and the sewage system, subsequently changed as the different Army corps or different regiments came and went. This led us to suggest the desirability of the establishment of the utilities corps and at that time we were in Washington part of the time, and it finally led to the adoption by the staff of the idea of putting this work into the hands of the builders of the utilities rather than into the hands of the Medical Corps or the Sanitary Corps.

Mr. DOREMUS. Do you consider that the organization of the Construction Division was adequate for the purpose in view?

Mr. METCALF. It certainly was.

Mr. DOREMUS. And the construction of the cantonments within a time specified?

Mr. METCALF. It certainly was.

Mr. DOREMUS. Are you familiar with the form of cost-plus contract that was adopted?

Mr. METCALF. I have not read it for a good many months, but I was entirely familiar with it.

Mr. DOREMUS. Was it, in your judgment, a contract that safeguarded the interests of the Government?

Mr. METCALF. I think it was in as far as it is humanly possible to devise any contract to do that. Every effort was made certainly to accomplish such an end.

Mr. DOREMUS. I will read into the record at this point a paragraph from a paper by Mr. George W. Fuller, of the American Society of Civil Engineers, under the head of civilian committee, and after reciting the members of the committee of the emergency construction, the paper states:

Under this committee on emergency construction there was a subcommittee on preliminary planning, sanitation, and engineering relative to cantonment work. This committee reporting to Mr. Olmsted, of the main committee, was composed of Leonard Metcalf, George W. Fuller, and Asa E. Phillips. Members of the American Society of Civil Engineers. Under the munitions branch there were other committee of various construction supplies, labor, transportation, priority, storage facilities, auditing, etc.

There has been considerable comment, Mr. Metcalf, concerning the fact that Mr. Starrett and other members of the Emergency Constructing Committee were either contractors or had been associated with contractors prior to the war. Looking to a possible emergency in the future, do you think it would be sound policy and result in greater efficiency to provide that men who have no knowledge of the contractors or of the contracting business should have the selection of the contractors to perform emergency work?

Mr. METCALF. Well, that, of course, would depend upon the type of men who you had on your committee. I know that, so far as the committee was concerned, so far as the past emergency was con-



cerned, that the work was tremendously expedited by reason of the knowledge which Mr. Starrett and the other members of that committee had of the contractors and their past work in this field.

Another thing. We had sitting with us on the committee on sites, which selected the contractors for the first cantonment, Mr. Gibben, who is one of the best men on contractors' quizz in this country, and he was of great help to the committee. I suppose it is perfectly possible, sir, to have a committee composed of men other than contractors, who would be sufficiently in touch with such men as Mr. Starrett—I use this man simply as an example—as men who are known in the contracting field. You could have a committee composed of others than contractors, and you could have most excellent men, but I should think it was a safer policy to have upon the committee at least some one who was entirely familiar with the contractors and their work. I am sure it helped very much here. I know we did find out, foreseeing what was to come. This committee had sent out inquiries to various architects and engineers and Government bureaus over the country, and I, myself, sent out 15 or more telegrams, perhaps, to engineers on the Pacific coast and to different parts of the country, asking them, able contractors, if they were available for this work. We wanted men who had handled work on the scale of two or three millions or more, and in a maximum time, and the men whom I asked were willing to designate as competent to undertake work of that sort. We had also, in connection with that, the statements of the financial agencies, Dun and Bradstreet. We had Mr. McGibben, who was doing that work for some of the guaranties company, and then we had the records of the contractors themselves—the work that they had done recently, the scale of the work, and the localities; the men handled and the housing, and you gentlemen have doubtless seen some of those forms which we used. I think the result we had from that was some 700. Later on it was of great help, but I am sure it was of even greater advantage to the committee as a whole to have on it men who had personal knowledge of the contracting field, and, of course, that was true of every man who had sat on that committee. All of us had contact with the contract field. We did not all of us know all the contractors the country over, but all of us had experience with contracting work.

Now it seems that that then does expedite the work. It does save time to have on your committee some men, at all events, who have that personal knowledge. I do not know that it is essential to have your committee made up of men all of whom have that knowledge. That appears to be so in this case. I would like to say that it would have been advantageous to have a legal point of view represented. It always seemed to me that a method of awarding those contracts which was essentially different from any other one that we had, or any other that this country ever had, was a pretty well safeguarded one, because you see that this committee in the first instance merely advised. It did not appoint the contractors, it merely advised that such and such be done. At Camp Devens, the committee recommended the Fred T. Lye Co., as on the whole the most available and best equipped to undertake the work at that time, and the recommendation that the work be given to them. We then appended to the report the statement of the financial standing, work done, men handled, and all the rest of it in the questionnaire which went out.

That was sent then to Mr. Scott's committee. It was acted upon by that committee, and was sent back to Col. Littell, as he then was, and later to Marshall, and by him, Col. Littell told us, took to the Secretary of War, and the Secretary of War then returned it to Col. Littell and the appointment was finally made by Col. Littell. He bore the final responsibility, but in that way the public had the advantage of the point of view of several groups of men, in no way connected with one another. It had the Army point of view, it had the Government point of view, and it had the point of view of the interested set of men who had carefully canvassed the field.

Mr. McKENZIE. Mr. Metcalf, of course you understand that you are summoned here by the committee at the request of the Construction Division?

Mr. METCALF. No; I did not know that. I simply got a telegram from the Sergeant at Arms.

Mr. McKENZIE. You were not aware of that?

Mr. METCALF. No, sir.

Mr. McKENZIE. When did you come to Washington to take up your duties on this special committee of which you were a member?

Mr. METCALF. I think it was May 19, 1917; about that time, at the events.

Mr. McKENZIE. At whose request did you come?

Mr. METCALF. I got a telegram from Mr. Olmsted. He had stopped in my office two or three days before that. He had come up from Washington where he had only been for a day or two, and he had been asked to serve on this committee. And he asked me about the organization that I thought advantageous, and I suggested certain names to him, and was very much surprised a few days later to get a telegram from him to come down.

Mr. McKENZIE. That is the Mr. Olmsted who was a member of the emergency construction committee?

Mr. METCALF. Franklin Long Olmsted.

Mr. McKENZIE. And he had to do with the formulation of the particular form of contract that was used in the construction of the 16 original cantonments?

Mr. METCALF. Yes; that committee was practically responsible.

Mr. McKENZIE. Do you know when that final form was adopted by Mr. Metcalf, by the emergency construction committee?

Mr. METCALF. My impression was that it was sometime after that.

Mr. McKENZIE. Was it about the 1st day of June, 1917?

Mr. METCALF. I think very likely.

Mr. McKENZIE. That is, was finally approved?

Mr. METCALF. Yes; I should say about three weeks.

Mr. McKENZIE. They sent it to Col. Littell for his approval?

Mr. METCALF. Yes, sir; technically so. Of course, it had been under discussion by Col. Littell and the department and Mr. Scott's committee for weeks before.

Mr. McKENZIE. And was not approved by the Secretary of War until a considerable length of time thereafter?

Mr. METCALF. I think that may be true, sir, although my impression is that he was advised of its form before that.

Mr. McKENZIE. Who requested you and your associates to prepare this form of contract and to assume the responsibility which you assumed at that time of directing these affairs for the Government?

Mr. METCALF. I do not know, sir.

Mr. McKENZIE. Did the Secretary of War make a request of you to do it?

Mr. METCALF. I was not here at the construction of this work on the emergency contract, so I can not answer.

Mr. McKENZIE. Did the Chief of Staff make any request to have you assume these activities?

Mr. METCALF. I do not know about that.

Mr. McKENZIE. You say that certain contractors talked to you about it and about the form of contract and were very much exercised over the impending danger, as we all were?

Mr. METCALF. Yes, sir.

Mr. McKENZIE. Who were some of those contractors?

Mr. METCALF. Well, there is an organization in New York. I remember—I rather think it is the national organization of contractors, and some of the officers of that came down to Washington to discuss that with the committee, and I likewise discussed it with certain of our contractors. Mr. Winston, I remember, one of our business men.

Mr. McKENZIE. Is the General Contractors' Association, with offices at 51 Chambers Street, New York City, the one to which you refer?

Mr. METCALF. I think it may be, although I should want to verify that before saying finally. The confirmation with them had taken place before I got here, Mr. McKenzie, but I know that the contract organization and the National Association of Architects had both been consulted.

I know we had Mr. Charles T. Main, of Boston, who was then president of the American Society of Mechanical Engineers; Mr. Stillwell, of the Institute of Engineers; Mr. Charles D. Leavitt, of New York; and Mr. Hill, of Hill & Gibbs, New York, consulting and railroad engineers, and I do not remember others. There were others, though. We sent out a call to other men.

Mr. McKENZIE. Do you remember whether the George A. Fuller Co. had any representatives call upon you to discuss this matter?

Mr. METCALF. No; I do not.

Mr. McKENZIE. Did Mr. Kilpatrick?

Mr. METCALF. Yes; I saw Mr. Kilpatrick from time to time. He was in the headquarters there.

Mr. McKENZIE. He was interested in having this form of contract prepared?

Mr. METCALF. Not personally, I think. Of course we were all interested in the question of what was the most desirable method of doing the work.

Mr. McKENZIE. Did Bates & Rogers have anyone call upon you in connection with this matter?

Mr. METCALF. I dare say that I saw representatives of those men in the headquarters, sir; there were hundreds of contractors going and coming.

Mr. McKENZIE. You do not remember whether the firm of Stone & Webster were particularly interested in the matter?

Mr. METCALF. I think they were very much interested in the work. They were doing work. Mr. Rodgers of our organization staff worked with us.

Mr. McKENZIE. Is it fair to assume that those men being men of intelligence and education, understood that in our Military Establishment we had not only the Corps of Engineers, but we had the constructing quartermaster under the Quartermaster Division, who under the law would probably take charge of any construction work that might be necessary to house and care for the Army?

Mr. METCALF. Theoretically that is true.

Mr. McKENZIE. Now, neither one of those branches, as I understand it, had called upon your committee or any member so far as I know to take on this matter and serve the country, because they were incapable of doing so?

Mr. METCALF. I think that may be true.

Mr. McKENZIE. Then it is true, Mr. Metcalf, not saying anything about the motive, granting that it was a praiseworthy motive, is it fair to say that these men composing these various committees simply took upon themselves, without any call from the War Department or the men in authority under the Government, to go ahead with this thing and to take over this construction work. Is not that a fair assumption?

Mr. METCALF. Well, so far as going ahead, much of the effect. work in fighting the war was done by civilians.

Mr. McKENZIE. I understand that. I have not, personally, any question in regard to the motive.

Mr. METCALF. Of course, we have our profiteers, and all that. But the underlying motive of the majority of the men was an entirely good one.

Mr. McKENZIE. On the other hand, it is equally true, is it not, that the work could not have been done finally without authority and authority was granted by the War Department. That work had to have come direct from Mr. Baker, after consultation with the President.

Mr. METCALF. It came about, I think—perhaps your idea is the same as mine, and I believe it to be a fact—it came about through the feeling of a group of disinterested men that the Engineers Corps was not in a position to do it, and that the Quartermaster Corps was also swamped. For instance, the committee, I think, went to Gen. Goethals, among others, and he said, "Get the biggest man you can to do the work." He recognized that it was a big job. It was nothing to us where the men came from or what corps had the work. The committee felt that it was work for which only civilians were trained. In other words, that there was in existence no Army corps that was personally in touch with the contracting field.

Mr. McKENZIE. That was the assumption.

Mr. METCALF. That was the fact.

Mr. McKENZIE. We will admit that it was the fact at the time, and it was the assumption at that time on the part of these men that there was no corps or military establishment at that time large enough to take on that great work. And, since you mention Gen. Goethals particularly, you must recall that Gen. Goethals condemned the form of contract that was used. You remember that, do you not?

Mr. METCALF. I have forgotten it. I will accept the statement, though.

Mr. McKENZIE. I do not want to put anything in the record that is not absolutely fair. It is fair that the assumption of all of us, and the understanding was that this Emergency Constructing Committee was only acting as a subcommittee of the Council of National Defense, and only to act in an advisory capacity; and they only could make recommendations, and that those recommendations would pass up to Gen. Littell, and thence to the Secretary of War for approval.

Mr. METCALF. Yes, sir.

Mr. McKENZIE. But the fact disclosed that, instead of simply acting as an advisory committee, that they recommended the contractors in every instance. The contractor recommended by the Emergency Committee, except in a few exceptions, got the contract.

Mr. METCALF. Yes, sir.

Mr. McKENZIE. And Gen. Littell, while, literally speaking, he had the power to veto, he did not do so and thereby this committee became absolute in its dictation of the letting of these various contracts.

Mr. METCALF. The last statement is not true. I do not think the committee was absolute.

Mr. McKENZIE. In two exceptions?

Mr. METCALF. At Louisville, at Camp Taylor; and the other one, that is Camp Lewis.

Mr. McKENZIE. It took this committee to finally adopt a form of contract—a so-called contract?

I want to ask you, Mr. Metcalf, as a business man, and as a man who has had experience, whether or not that is a contract. Do you call that a contract as between the Government and the contractor? What elements are in it that are usually found in a contract?

Mr. METCALF. I think that is a contract, legally a contract.

Mr. McKENZIE. Is it a contract or is it a written statement or agreement between the Government and an agent who is to do certain work for the Government at a fixed fee?

Mr. METCALF. Well, that is still a contract.

Mr. McKENZIE. Is it not in the nature of the employer rather than a contract, rather than the relation that is usually found between the two contracting parties?

Mr. METCALF. I know; but I do not think that is true; that is in any contract for service. You are contracting for services in a particular form. You may contract for them in several ways. The agent who furnishes the service, may furnish it in one or several ways. It is really a contract. If you mean by the statement that the effort was made in the contract to remove the hazard element from the shoulders of the contractor as far as possible; why, yes; of course, we were aiming to do that, just in so far as you increase the hazard element the Government was bound to pay a much higher price for his service.

Mr. McKENZIE. That is an assumption again on the part of the men who prepare the contract.

Mr. METCALF. I will not admit that. You have had enough experience to know that that is not the only form of contract, and I

am not defending that form of contract because I think in all cases—I do not believe that in so far as engineering work generally is concerned that is going to be the only method of contract. I think under all political conditions it is not possible for our city to adopt it under certain forms, but I believe honestly that we could not have done the work under any other form of contract under conditions which were facing these men. I say further that the conditions of uncertainty still exists sir to such an extent even to-day with the armistice behind us, that the large corporations of the country are finding it the only basis on which they can do large work satisfactorily, which is simply another way of saying the contractors are still facing a hazard element that the corporation thinks it would cost them less money to do the work in that way than to pay the hazard element which would enter into the contract on the unit price or the lump-sum basis.

Mr. McKENZIE. We have got to the point where this committee prepared a contract which absolutely removed all of the ordinary safeguards in so far as the Government was concerned and enabled the contractor—

Mr. METCALF (interposing). No; I do not think that statement is true.

Mr. McKENZIE. Then point out one of the safeguards.

Mr. DOREMUS. I want to interpose an objection to any assumption of that kind. To begin with, this committee which you are speaking about did not prepare the contract. It was prepared under the direction.

Mr. McKENZIE. It was prepared under the direction of the legal committee of which Mr. Bulkley, former chairman of the House, did the writing.

Mr. DOREMUS. I do not think we will admit that he was under the direction of this committee.

I also do not agree with your assumption in the question that all of the ordinary safeguards were removed in this contract.

Mr. McKENZIE. It is found in the testimony that the usual and ordinary safeguards placed in contracts are not to be found in this form of contract.

Mr. METCALF. I am very much surprised at that. I would be very much interested in going further with that. I can not understand that. You had the same safeguards of inspection, the safeguards of the materials, labor, and accounting that you have in the ordinary contracts. The only essential difference is the removal of the hazard. The gambler element is gone.

Mr. McKENZIE. You admit that the hazards, in so far as the contracts are concerned, are removed?

Mr. METCALF. With one exception, which is a very important one, which is the matter of payment, and that still contains the element that is burden from.

Mr. McKENZIE. Explain that, please.

Mr. METCALF. The payments to the contractor were not promptly made in many cases. The pay rolls were held up in the early stages; the methods of accounting the first year were such that it required and it required in the building of the camps a working capital of \$750,000 to \$1,000,000 for which the contractor was to be compensated out of his percentage to be remitted to the contractor.

Theoretically, the contractor was to get his money for his weekly pay roll. But he did not by a long shot.

Mr. McKENZIE. That was not the fault of the contractor, it was the fault of the administration in not making payment.

Mr. METCALF. It was one of the difficulties in building up an accounting method which would satisfy all and meet the conditions of rapid construction work; in times of peace that condition has even been worse.

Mr. McKENZIE. But all the elements of hazard were removed.

Mr. METCALF. Yes; some essential construction.

Mr. McKENZIE. And the reason, as I understand you, was to encourage men to go and do this work which the Government wanted done and done at once.

Mr. METCALF. Yes, sir.

Mr. McKENZIE. Yes. Now, with the system adopted, of course the man that got the contract had really what we call a "safe bet," in the language of the street.

Mr. METCALF. In a sense he did. In another sense he had the same necessity of building up a good record to make his reputation. He did not have the uncertainties of cost and the uncertain element of construction. That is true.

Mr. McKENZIE. The system was also open to the criticism, and you heard me suggest it to Mr. Fuller this morning, that this committee could play favorites.

Mr. METCALF. We do not think any more than in any other form of contract.

Mr. McKENZIE. The competitive system being removed?

Mr. METCALF. Yes, sir; that is true.

Mr. McKENZIE. And the elimination of the contractor by the method followed, leaves the committee open to criticism; at least to the criticism that if they so desired, they had the power to play favorites.

Mr. METCALF. Let me differentiate. In so far as the lump-sum contract or this form of contract is concerned, there is no difference. The same conditions would have prevailed; in so far as the unit-cost contract and this contract are concerned, the difference would be essentially on the competitive features. That, however, involved, of course, the selection of the lowest bidder.

Mr. McKENZIE. Speaking of Mr. Starrett, I do not know Mr. Starrett.

Mr. METCALF. I am sorry you do not. He is an excellent gentleman.

Mr. McKENZIE. I never met him. I understand he is a very capable gentleman. But I just want to get into the record a few things about his past and present record. Is he the same man who was formerly a member of the construction company known as the Thompson-Starrett Co.?

Mr. METCALF. I think so; yes, sir.

Mr. McKENZIE. Is he a brother to Mr. Paul Starrett, who was president of the George A. Fuller Construction Co.?

Mr. METCALF. It is my impression that he is.

Mr. McKENZIE. And it is a fact that the George A. Fuller Construction Co. got some very heavy contracts during the war?

Mr. METCALF. That is true.

Mr. McKENZIE. I am just stating these as facts. Now, do you know what position Mr. Starrett or Col. Starrett holds at the present time?

Mr. METCALF. Yes; it seems to me I had heard the other day that he was the vice president of the George A. Fuller Co. He was a practicing architect and has been for several years before the war; part of that he has been a contractor and entered into the firm known as the Starrett-Vanfleck & Co. Then he came to Washington and got on this emergency committee and was one of the men who later recommended these contracts and later on resigned from the Army. He resigned his commission and he is now the vice president of the George A. Fuller Co., of which his brother is president.

Mr. McKENZIE. Now, Mr. Metcalf, I want to ask you a few questions going back to something that was thrashed out pretty thoroughly heretofore. I want to get your opinion. You stated in your response to Mr. Doremus that you thought it advisable to carry on the construction of the utilities at the same time you put up shelter buildings. Now, there would be no difference in having the work done either under a lump-sum contract or under a form of contract such as the cost plus. The contractor could do that work letting subcontractors do the work, just as was done in the construction work itself.

Mr. METCALF. Yes, sir.

Mr. McKENZIE. I want to say right here, as an American, of course I am proud, and I think every other American is, of the achievement not only of the Construction Division but of the entire Military Establishment and the American people as a whole, and that only carried out the views of some of us. And the only question involved had been whether the way in which it was done was the only possible way in which it could have been done. We had the Engineer Corps in our Army.

Mr. METCALF. Yes.

Mr. McKENZIE. You concede that there are some very capable men in the Engineer Corps?

Mr. METCALF. Yes; they made a very good reputation.

Mr. McKENZIE. They are men that could survey a cantonment in open country, and to do the laying out of the buildings and the utilities would be a very simple job for some of those men, would it not, in your judgment? You are a civil engineer?

Mr. METCALF. Of course, the men are competent to do that. But those men are not competent to handle an organization of this sort with which such a time limit in the way that the men who were drawn in this Construction Corps were. In other words, those men—do not misunderstand me, please; I am not belittling the ability and the past experience of the Engineer Corps, but their entire line of work and experience has been a far different field. You know that the commercial field is quite different from the Army field. There were drawn into this corps men who were working in the commercial field who knew commercial methods, who knew where to go for things, who were going every day about their work, and those men, of course, were able to do the work more expeditiously than the men who were not doing it every day. It is not a question of competency; it is a question of field of activity.



**Mr. McKENZIE.** Under the law which we passed, the national-defense act, we provided that the Engineering Corps might take in reserve engineers. Any man who could qualify could become an officer in the Engineering Reserve Corps. At the time of which you are speaking in your testimony we had no Construction Division in this country. It was not then necessary.

**Mr. METCALF.** That is true.

**Mr. McKENZIE.** How did we get it? We just went out and commissioned Col. Couper here and Col. Shelby, and went down the line and got Col. Walbridge, who is present, and a number of other men, picked them over, got them, and gave them commissions and put them in the Construction Division in the Quartermaster Corps of our Army. Now, those same gentlemen, I take it, are all capable contractors. They would be able to go out and superintend one of these cantonments. Could not they have done it just as well if they had been commissioned in the Engineer Corps?

**Mr. METCALF.** No; for this reason: The Engineer Corps had certain traditions, certain methods of doing the work. It had a stupendous problem on its hands in the handling of the engineering work abroad. I do not think, sir, that Gen. Black or the other officers of the Engineer Corps were in a position mentally where they could have built up or given the time to the consideration of the new organization which was given to the problem by Col. Littell and by particularly Capt. Marshall. In other words, a group of men came to Washington who had no other interests than assisting in building up the strong corps. That group of men was made up of men who were doing important engineering work of different sorts, commercial work in professional lines, and they knew personnel. The Engineer Corps did not. These men were operating with the Army officers—Col. Littell and Capt. Marshall. They had a hearing. Capt. Marshall is a very good judge of character, and he was quick to see in this. He was given a very large measure of authority, and so the corps was built up. Now, if Gen. Black had taken Capt. Marshall and had given him full authority to do what he did under this occasion, and if he had had the authority to go directly to the Secretary of War with his problems as they came along, the thing would have been done. That authority would not have been forthcoming. Everything would have to come through any style, and the cantonments could not have been built in time. The neck of the bottle was too small.

**Mr. McKENZIE.** You stated a while ago that in selecting contractors, you believed that they should select contractors who had organization?

**Mr. METCALF.** Yes, sir.

**Mr. McKENZIE.** Now, when it comes to construction, you contend that it is better to go out and build an entirely new organization?

**Mr. METCALF.** No; we tried to bring about the other thing but it could not be done.

**Mr. McKENZIE.** Of course, just what was to that is not in the record so far. We had not had that as to the failure of the Engineer and Quartermaster Corps in the matter of construction. They have never admitted so far as I remember, that they could not have enlarged their organization and done this work.

Mr. METCALF. I do not mean to imply that. I do not think it is a fact that at that time—it was not some 6 months later, but at that time the Engineer Corps was not anxious. It did not want to take this problem. All of the men naturally wanted to get abroad and get in the scrimmage.

Mr. McKENZIE. Now, in the method of picking men you stated in your direct examination that you thought contractors should be selected who were familiar with this kind of work, and who had organizations, and who would go on and carry out the work speedily.

Mr. METCALF. Yes.

Mr. McKENZIE. I am inclined to think that would be the proper thing to do, but I can not understand why they would select Bates & Rogers, a firm of railroad builders to do this character of work when there were so many big contracting firms in the country that were familiar with the identical kind of work that was necessary to be performed. Maybe you can explain it.

Mr. METCALF. If I were to criticize that at all; if I were to draw an inference from this, I would say that it went to show rather that a railroad contractor is the man who was handling organizations on a large scale, and with the flexible camps, was probably the best man for the job. He was the man who was able to pick it up at a point and carry it on. The greater disappointment was in taking men who had to do with the more highly organized monumental form of contracting, whereas the rough and ready work was a more analogous type of construction.

I think that the railroad men who handled their construction camps and their rapid construction would probably be the best to do the sort of work.

Mr. McKENZIE. It is very simple work.

Mr. METCALF. Yes, sir; it is. But it requires the rapid assembling of forces.

Mr. McKENZIE. But it did not require much of an architect or carpenter to build such a cantonment?

Mr. METCALF. No; but you had to have brains behind the man who drove the nails; you had to have the plans sketched out and material ordered and at the proper places the most of the labor was of an unskilled type, but counting it all in all the administrative work was what counted.

Mr. McKENZIE. You said that one of the reasons why you thought it was advisable to adopt the cost-plus system was the uncertainty existing at that time.

Mr. METCALF. Yes, sir.

Mr. McKENZIE. Is it not true, Mr. Metcalf, that in the spring of 1917, especially after we declared war, that the building business in this country came to a standstill practically?

Mr. METCALF. It did very soon, sir.

Mr. McKENZIE. The draft law was not then in operation; therefore the draft on the young men of the country had not taken place.

Mr. METCALF. No; it was very imminent. It had not actually taken place.

Mr. McKENZIE. Consequently there would have been no question about there being plenty of labor in the construction of the 16 cantonments?

Mr. METCALF. No, sir; that is not true. There was labor then. We were promised labor. We tried to find out what the programs were of the various departments—the Navy and the Yards and Docks, and so on. We attempted to consolidate the labor problem so that we could take gangs from one place and transfer them to the next place without the loss of time or efficiency. It was not possible to bring it about, however.

Mr. McKENZIE. Was that in the spring of 1917?

Mr. METCALF. That was before I left Washington. We were then working on that. It was my impression that it was in June or July of 1917. We were asked then by the Secretary of War and the Secretary of Navy.

Mr. McKENZIE. Is it not true that the draft law in a sense hindered you in so far as the labor situation was concerned, for the reason that we—I sometimes question the wisdom of it, but many men doubtless were driven into the trade by reason of the fact that if they were necessary in industrial lines, they were exempted?

Mr. METCALF. I doubt very much if it helped this type of construction. The more highly skilled work as on the nitrating plant of the DuPont, no doubt there was.

Mr. McKENZIE. I am asking you, if you look back in your memory to your own home town where you live, if you can not think of some men who got very busy and became engaged in the carpentering or blacksmithing or any kind of an old job so that they could put down on that blank, the draft blank or questionnaire, that they were engaged in that work?

Mr. METCALF. I think there was a very small percentage of that kind of men.

Mr. McKENZIE. There were thousands of men excused.

Mr. METCALF. That may be for the aggregate. No doubt there must have been thousands, but using the term in the sense of the slacker which I take is what you mean, I do not believe there were any considerable percentage of men in this country who were guilty of that sort of thing. I was on the Pacific coast, and there was a shortage of men there. The labor turnover was considerable.

Mr. McKENZIE. Speaking of transportation Mr. Metcalf, in response to a question of Mr. Doremus, you said that was another of the uncertainties. Is it not a fact that the Government had the power, even before the taking over of the railroads, to order priority of shipment, and could not they have given the priority to all the necessary materials to construct these camps to a man who had a lump-sum contract just as much as they would to a man who had built it under a cost plus?

Mr. METCALF. The form of contract made no difference, but I assure you that the question of getting deliveries or priority was not a simple matter. We had not the cars and the locomotives and all the rest of it. This is true. That introduced a hazard alone that would have made the contractor raise his bid on a lump-sum basis or unit basis in a way that would have made it incomparable with the actual cost plus.

Mr. McKENZIE. But if he had known that the Government would have given priority on his shipments, he would not have needed to worry about the question, because it would have been up to the Gov-

ernment to see that the contractors were taken care of in regard to transportation.

Mr. METCALF. It is a practical fact that the contractor faces, and he knew at that time that it was a tremendous thing. For instance, wooden stave pipe he borrowed at one place to take to another, and that is expensive.

Mr. MCKENZIE. There is one other question, Mr. Metcalf. Your opinion of the Emergency Committee form of contract is that the manner of doing things was necessary on account of the emergency?

Mr. METCALF. Yes, sir.

Mr. MCKENZIE. When did you think that the emergency passed?

Mr. METCALF. I did not think it passed with regard to construction throughout the whole period of the war. In other words, when the munitions bureau, for instance, went to work constructing, that was just as much an emergency as in the start. They wanted those buildings just as quickly as they did in the case of the construction of the cantonments.

Mr. MCKENZIE. Do you favor Mr. Metcalf, the continuance by the Government of that form of contract in its construction, and in its requirements in peace times?

Mr. METCALF. I do not know enough about it to express an opinion. I should think that was doubtful. I think that in any emergency that is the form of contract that the Government will adopt as the sole form of contract. I think there are occasions where it would be more advantageous. I think where the competitive bidding is possible it is the safer form for the Government to adopt. I think there are many cases where you must of course advantageously adopt any other form and when another emergency comes, I think you will be driven again, as you were this time—I do not think there is any question about it.

Mr. DOREMUS. Did you read the article in the last evening's Washington Star to the effect that the Government of Japan had awarded a contract to the George A. Fuller Co. on a cost-plus basis for the construction of their new Parliament building, the estimated cost of which is \$50,000,000?

Mr. METCALF. Yes, sir.

Mr. MCKENZIE. At this point I desire to insert in the record the memorandum from Col. Starrett to Judge Parker, on the subject of "Organization of Emergency Construction Division." This is dated June 10, 1918, it is as follows [reading]:

JUNE 10, 1918

Memorandum: For Judge Parker.

From: Col. Starrett.

Subject: Organization of Emergency Construction Division.

1. It is proposed that the Emergency Construction Committee be broadened in scope and that it be made a section of the War Industries Board. The personnel of the section would comprise the present committee augmented by staff of men used to the rapid handling of large construction projects. At the writing we have the means of securing the identical men to round out such a section.

The primary function of the section would be:

1. To investigate. 2. To report. 3. To recommend to the War Industries Board in all matters pertaining to the Government's building program.

2. The section would (a) help the board to stop the waste of valuable time that is taking place in the construction field, (b) prevent the misapplication and waste of money that is now so plainly in evidence, (c) help the War Industries Board coordinate and steady the whole of the building activities:

the Army, Navy, Shipping Board, and Housing Bureau, and (d) secure to the Government's service all of the building knowledge and ability necessary properly to carry out the building program—something that the Government has thus far fallen short of securing.

3. Under existing conditions there is no uniformity of policy in the building activities throughout the Government as indicated by the following:

(a) The Navy is conducting its building variously through the use of lump sum, fixed fee, and percentage contracts. It coordinates a few of its material requirements, such as lumber, copper, etc., through the War Industries Board. So far as can be discerned, it has no uniform system, although it has an undoubtedly efficient management through the well-organized Department of Yards and Docks.

(b) The Shipping Board is carrying on a large amount of construction work through the various policies of direct contract, subsidies, and incidental allowances in connection with shipbuilding contracts, etc.

(c) The Housing Administration, under Mr. Eldlitz, has an excellent organization, but at this writing has not been able to accomplish anything because it is as yet without definite authority. The law under which it will operate requires the taking of lump-sum bids and the reference of all of its plans to Congress. With whatever hopeful optimism we view this situation, existing conditions force the conclusion that very little will be accomplished by the housing board, even after authority is granted, unless the law is changed or some very radical methods of subterfuge are discovered.

(d) The Ordnance Department, although under direct orders to clear its building operations through the Construction Division, is not doing it and seems to be pursuing a variety of policies. Cases have been reported to the War Industries Board where contracts as high as \$6,000,000 have been awarded at cost plus 10 per cent without limitation. We have credible information also that Ordnance is conducting a great deal of construction work by contracting for buildings as a part of some operating contract or in connection with subsidies to chemical and powder manufacturing concerns.

(e) The Construction Division of the Army operating under the uniform contract has been the nearest approach to concerted and comprehensive action toward the desired end, but its activities are now being hampered by reason of the daily growing tendency to force it into disorganizing competition with other branches of the Government.

4. Underlying all of the above activities is the general evil of lack of coordination and failure in one department to take advantage of the experience and economy of another. The total building programs of the departments above enumerated probably will run well over a billion dollars. Further, we are commencing to discover that the random employment of contractors and the failure to take advantage from job to job of the economies possible by using over and over again the most efficient of the organizations that have been broken in to do Government work is hampering our own efforts toward better organizations and moreover in fostering a wasteful policy. (See memorandum to the War Industries Board, dated Apr. 30, 1918, copy of which is hereto attached.)

5. The general work of recommending to the various bureaus the contracting policies they should follow should be a function of this section.

Further the emergency form of contract should be generally used and should be modified by providing that:

(a) The contractor shall not receive in any one year more than \$—— in fees from the Government, regardless of the number of contracts executed or the total sum involved.

(b) The Government shall have the right to assign to any contractor as many contracts as in its judgment the contractor's organization is capable of handling.

(c) The Government shall have the right to take parts of the organization under employment and join them to other organizations engaged in Government work.

The emergency construction section should be charged with supervision over these organizations and recommendations as to their use. The War Industries Board could consistently approve the recommendations of the section, because such approval would be based upon indisputable efficiency of method, and the limitation of annual profit would disarm all criticism of excessive profits being given to any one contractor. The board's action would then be similar to its present activities in allocating orders for materials. It would simply be

allocating the building program among factors over which the Government is taking control. The organizations need not even be designated by their own names; they would be referred to simply as organization No. 1, No. 2, etc.

6. On the basis above outlined the Government could immediately proceed with organization toward economy, a matter in which it is now badly hampered by its policy or continually changing organizations. The construction division would remain administrative and supervisory; the contracting organizations would be held together as strong, executive units cooperating with the Government, improving from job to job, and by intensity of methods weeding out the vast amount of the duplication of work which is now going on by the continual breaking in of new and untried organizations.

7. The emergency construction section would not be executive and would concern itself with the Government's administration forces, excepting so far as recommendations might be made through the War Industries Board as to how to strengthen and better them in their coordination with the contracting organizations. It would have a small but competent force of officers to travel all over the country to make complete, detailed examinations of existing organizations and to visit the Government operations, for the purpose of observing how the organizations are performing.

Individual contracting organizations would be segregated into their various branches, such as (a) field superintendence, (b) accountancy, (c) traffic, peddling, and (d) designing engineering, and through its ability to call on any employed organization for any service the Government could detach from any organization any of its strong units and attach some of them to other organizations to meet some special or peculiar demand.

For example, the chemical engineering organization at Nitro, W. Va., has been now broken in at the Government's expense on the peculiar work it is involved, not only as to design but as to availability of materials, and is so familiar with the Government relation to priorities, transportation, manufacturing, etc. There is no reason why the Government should not be able to take over a section of an organization and turn it to use in some other organization; it would otherwise have to build up such a department at great loss of time and money. The Shipping Board has carried out a number of housing projects. Ordnance is about to undertake similar work and on a very large scale. Why should it not have the benefit of the experience the Government has also paid for? Similarly, why should not organizations that have built housing facilities successfully for the Shipping Board be available to the Housing Board?

8. Under existing conditions there is no central source of information on these matters. Questions arising in one bureau addressed to another are liable to land on the snag of the individual caprice of some officer who has no knowledge of the particular operation in question. The plan here discussed would have a common denominator on which these questions may be judged. This denominator would be made reliable through the powers that the War Industries Board would confer to investigate and get at the basic facts. Further, the emergency construction section could render a great service in the coordination of available materials. Under present conditions there is no resource to which anyone can turn to discover whether it is proper to use this or that kind of material, whether plumbing fixtures, pumps, machinery, etc., involved in a project will be available, and whether or not the use of certain things by one department will in any way hamper other departments.

The enormous loss that the Government is now sustaining through various building agencies bidding up each other's labor could be largely stopped through the action of the Emergency Construction Section. It could, through its power to investigate, to report, and to recommend, bring to the Government's attention the various disparities and inconsistencies now so flagrantly existing.

For example, the shell-filling plant at Edgewood has been paying higher wages and giving better terms and conditions to their labor than any other Government project on the Gunpowder River Reservation. The result is that other activities on the same reservation conducted by the Construction Division are suffering. The history of the raises and counterraises of various competing forces on that point alone would indicate that literally hundreds of thousands of dollars have been wasted by the various activities located there bidding and counterbidding labor prices and conditions, the only labor turnover involved being the drifting of the same men back and forth from job to job as the more favorable terms were offered.

Information on all of these points is available through the War Industries Board, but there is now no coordinating agency.

To make the work of this section effective it should have representatives from the Navy, the Shipping Board, the Housing Administration, and the Army. The special investigators, upon whose information reports and findings to the War Industries Board would be made, should be assigned from their respective bureaus. For example, the Navy men assigned to duty with this section would investigate Navy jobs. Similarly, Housing Board men would be sent on housing jobs, etc.

10. It is to be observed that nothing here contained suggests making the Emergency Construction Section executive in character. Its acts would be effective only through the action of the War Industries Board. It could, therefore, never be accused of holding up the progress of work. However, its very existence would have a steadying effect on the Government building program wherever conducted. It would furnish a common ground from which all Government building programs could proceed. It would serve efficiently every building activity of the Government and would produce literally millions of dollars or savings in the building program that lies before us.

11. The War Industries Board can solve the problem, and this committee acting as a section is already largely organized for the work. The responsibility is someone's. It is a work that ought to be done. Nobody in the Government other than the War Industries Board can assume the task with any prospect of success.

W. A. STARRETT.

*Colonel, Quartermaster Corps, National Army,  
Chairman Committee on Emergency Construction.*

Mr. DOREMUS. I want to ask you, Mr. Metcalf, whether in your experience you have ever heard of favoritism in the awarding of contracts under the lump-sum basis?

Mr. METCALF. I do not think there is any difference in the forms of contracts so far as abuse. You can have abuse in every type of contract that exists. It gets back to the question of character and good faith.

Mr. DOREMUS. If a committee charged with the duty of awarding the contract was disposed to exercise favoritism, it could be done just as well under the lump-sum competitive bid form of contract as under the cost-plus form of contract?

Mr. METCALF. I should think so. Practically so. If the lump-sum form is used, its competitive conditions then probably limited within the range of certain bidders, under the action of its committee will be.

Mr. DOREMUS. But those conditions must be actual competitive conditions and limited degree of favoritism.

Mr. METCALF. If a committee is going to play favoritisms under the lump-sum system, as under the other form, if they desire to play favorites, it does not matter what form is used.

Mr. DOREMUS. As between a city contractor whose experience has been largely confined to city construction and the railroad contractor whose experience in construction has been in the open country, who as a general proposition would be the best equipped to handle one of the cantonment jobs?

Mr. METCALF. Your question really is not specific enough to admit of a very intelligent answer. Broadly speaking, I think that the experience derived by the big railway contractor who does all kinds of things—the outside work, grading, bridging, terminals, and so on—better fits him for that than the contractor who does simply the construction of monumental buildings and commercial office buildings. In other words, it is that varied experience that he gets in the handling

of the crews of men here and there, and the assembling of crews at distant points, that probably better prepares and fits the railroad man for the work. Of course, it gets down finally to the ability of the individual and the contractor. You may have that ability in one class or the other.

(The witness withdrew.)

### TESTIMONY OF MR. GEORGE B. WALBRIDGE, DETROIT, MICH.

(The witness was sworn by the chairman.)

Mr. MCKENZIE. Please give your name and address to the reporter.

Mr. WALBRIDGE. George B. Walbridge, Detroit, Mich.

Mr. DOREMUS. Col. Walbridge, what is your business?

Mr. WALBRIDGE. I am in the constructing business.

Mr. DOREMUS. How long have you been in the constructing business?

Mr. WALBRIDGE. Engineering construction about 18 years.

Mr. DOREMUS. All of that time at Detroit and vicinity?

Mr. WALBRIDGE. No; I started in Chicago, New York, Houston, Tex., and Detroit.

Mr. DOREMUS. How long have you been engaged in business at Detroit?

Mr. WALBRIDGE. Six or seven years.

Mr. DOREMUS. And you are now engaged in that business at Detroit?

Mr. WALBRIDGE. Yes, sir.

Mr. DOREMUS. I wish you would give the committee some idea of the volume of your building operation at the present time.

Mr. WALBRIDGE. At the present time I have under contract about 16 separate jobs, varying from a few thousand to probably \$6,000,000.

Mr. DOREMUS. What do they aggregate approximately?

Mr. WALBRIDGE. About \$8,000,000 at the present time.

Mr. DOREMUS. What particularly big job are you engaged on now?

Mr. WALBRIDGE. The construction of a town and factory building for the Wills-Lee Corporation Car Building Manufacturing Plant.

Mr. DOREMUS. Are Mr. Wills and Mr. Lee the gentlemen who were formerly connected with the Ford Motor Car Co.?

Mr. WALBRIDGE. Yes, sir.

Mr. DOREMUS. Will you give us an idea of the magnitude of the undertaking, as to materials.

Mr. WALBRIDGE. It is a pretty big proposition. The program as it is laid out, as we figure, will take about 50,000,000 feet of lumber, 220 miles of roads, and there will be at least 14,000,000 feet more of buildings to be built—docks, power houses, etc. Mile-roads and sewers and water front, and all of which we are actively engaged in at the present time.

Mr. DOREMUS. Has any estimate been made of the proposed cost of the entire job?

Mr. WALBRIDGE. No; they do not know.

Mr. DOREMUS. Under what sort of a system has the work been done?

Mr. WALBRIDGE. Under a cost-plus contract.

Mr. DOREMUS. Will you give the committee an idea of building conditions as they exist at Detroit to-day, as to their magnitude?



Mr. WALBRIDGE. I think Detroit now has got the greatest building program that it ever had. I think there is upward of \$50,000,000 of construction work going on at the present time.

Mr. DOREMUS. Can you tell us what proportion of that work is being contracted for on a cost-plus system?

Mr. WALBRIDGE. I think to the best of my judgment it is practically all of it. I do not know of a single job at the present time on a straight contract basis.

Mr. DOREMUS. Briefly, how do you account for that fact?

Mr. WALBRIDGE. Well, you can not get a contractor who will take the responsibility to do it due to the labor market and the material market, both of which are very unstable at the present time. If he did, he would bid so high that it would be prohibitive to build. There are no reputable contractors in Detroit who would attempt to take a contract on a straight lump-sum contract.

Mr. DOREMUS. Were you connected with the Construction Division during the war?

Mr. WALBRIDGE. Yes, sir.

Mr. DOREMUS. Will you please inform the committee as to how you became connected with the Construction Division?

Mr. WALBRIDGE. Yes; I was asked if I would not. It was thought that my experience would be of benefit. I never did anything but construction work. It was an awful big job that they had on their hands, and they thought that I would fit in down here, and so I got letters and telegrams from different members of the Construction Division, and I finally came down and joined them and gave my services to the country.

Mr. DOREMUS. And from that time until the armistice was signed you were connected with the Construction Division?

Mr. WALBRIDGE. Entirely.

Mr. DOREMUS. Did you get a commission?

Mr. WALBRIDGE. Yes, sir.

Mr. DOREMUS. What was your rank when you retired from the service?

Mr. WALBRIDGE. Lieutenant colonel.

Mr. DOREMUS. During your connection with the Construction Division, did you have charge of the construction of any camps?

Mr. WALBRIDGE. Yes; I had charge of two camps; two of the camps were put under my supervision. They were Camp Humphreys and Camp Custer, and I looked at other portions of other camps.

Mr. DOREMUS. I would like to get your judgment, Col. Walbridge, based upon your experience as a constructor and engineer, as to whether the adoption of the cost-plus system of awarding contracts for the construction of the 16 cantonments was a wise policy.

Mr. WALBRIDGE. Well, I say this very advisedly, being a contractor, but I believe there was no other way by which we could have done it and got our work done as quickly as we did. I, as a contractor, would not have dared to try to bid on the cantonments on a lump-sum contract, or anyone else in his senses.

Mr. DOREMUS. Why would you not dare to do it?

Mr. WALBRIDGE. Because I would be afraid of going broke.

Mr. DOREMUS. What things might have broke you?

Mr. WALBRIDGE. Well, labor conditions, the labor market, transportation, and everything that goes into the hazard the contractor

takes when he takes the lump-sum contract; all things beyond his contract, absolutely as a matter of fact. I was asked as a contractor to make a lump-sum contract on the construction of aviation field in Michigan. I absolutely refused.

Mr. DOREMUS. You did construct it?

Mr. WALBRIDGE. Yes, sir.

Mr. DOREMUS. Under what sort of a contract did you take it?

Mr. WALBRIDGE. This contract used by the Construction Division, practically the same kind.

Mr. DOREMUS. Is there anything further you could tell us, Colonel, as to the reasons which lead you to the opinion that it would have been inadvisable in 1917 to award these contracts on the lump-sum basis, or can you tell us about the transportation conditions?

Mr. WALBRIDGE. Everybody was feeling that things were unstable, and when things are unstable, you are loathe to put your money in jeopardy with things coming up that you have no control over at all. The railway facilities were not as they were in use before the war. You could not count on the delivery of material. You could not count on receiving it on time. If you would not receive your material on time, you would have men loafing on the job, and that would cost you money. I do not believe a responsible contractor would have taken a contract on a straight-contract basis.

Mr. McKENZIE. Colonel, when did you take your last lump-sum contract?

Mr. WALBRIDGE. About three years ago, I guess.

Mr. McKENZIE. You built Selbridge Field for the Government?

Mr. WALBRIDGE. Yes, sir.

Mr. McKENZIE. How much did the Government pay you, Colonel, for building it; for your work. Did you do other work for the Government?

Mr. WALBRIDGE. No.

Mr. McKENZIE. How much did they pay you for handling that?

Mr. WALBRIDGE. I think it was \$95,000.

Mr. McKENZIE. They were well satisfied with your work?

Mr. WALBRIDGE. I think so.

Mr. McKENZIE. How long did it take you to build it?

Mr. WALBRIDGE. I think in 34 days from the time we got the contract, and I practically lived on that job until it was completed.

Mr. McKENZIE. How long were you on that job yourself, Colonel?

Mr. WALBRIDGE. I was on that job—I think I lived on that job for two and one half months without leaving.

Mr. McKENZIE. That would cover the whole time?

Mr. WALBRIDGE. No; after it got to the finishing stages I went back to my office and I went out occasionally. I gave up my business and went out on the job at first, though.

Mr. McKENZIE. And for that you got \$95,000?

Mr. WALBRIDGE. Yes, sir.

Mr. McKENZIE. And then you came down and was commissioned a colonel right off the reel?

Mr. WALBRIDGE. No, sir—major.

Mr. McKENZIE. And then what was your pay?

Mr. WALBRIDGE. Two hundred and fifty dollars a month for a major; \$3,000 a year.

Mr. McKENZIE. And as a colonel you drew \$3,500 base pay for a lieutenant colonel?

I want to ask you a question, Colonel. It is thoroughly evident that you are a practical builder. I want to ask you whether or not, with that colonel's commission in your pocket and the eagles on your shoulder—

Mr. WALBRIDGE (interposing). No; I did not have an eagle on my shoulder.

Mr. McKENZIE. Whether or not you could not have put up one of those camps for the Government on a colonel's salary? Would that destroy any of your capacity? You built Selbridge Field and then you became a colonel in the Army of the United States. By doing that did it take away any of your ability to go out on a field and build a camp for the Government?

Mr. WALBRIDGE. No, sir.

Mr. McKENZIE. Is it not a fact that the Government could have taken such men as you and commissioned them and gone onto this ground and put up these camps and not only saved perhaps the fees that were paid the contractors but perhaps saved millions of dollars in the management?

Mr. WALBRIDGE. Positively no; no, sir. I did not have any equipment when I came down, and you can not build without equipment and material. In addition to not having equipment. I also did not have an organization.

Mr. McKENZIE. What became of your organization that you had at Detroit?

Mr. WALBRIDGE. My organization was all broken up; some of my men enlisted and others were drafted. I might have asked for some men, but it would not have done much good. Some of my men went into construction work, and they went to France, and one of them is still there.

Mr. McKENZIE. Then they got some good men in the Engineer Corps?

Mr. WALBRIDGE. Yes; we gave them some good men. I might state that I did not come down here with the idea to get in the testimony. I was not subpoenaed at all. I am down here in Washington on other business entirely. The people back home in the little country town of Detroit, in Michigan, are beginning to get worried a little bit about the taxes they have to pay, and this condition is true in every State in the Union. That this condition exists all over the country is substantiated by the fact that there is a movement on foot in which there are representatives of 124 different organizations, comprising upward of 150,000 men, all thinking about this same proposition. They are holding a convention now at the Willard Hotel. They are in session. They have come here to Washington to voice their protest and to talk with their Representatives in regard to methods—helping to devise possible methods in which they think the Government departments should be run.

One of the principal things and the principal argument which has come up has been relative to the transfer, or the contemplated transfer, of construction work of the Army Corps of Engineers.

That is the one that is receiving the most discussion by these men who represent these 150,000 different men back home.

Another proposition is their hearty indorsement by these organizations who represent this 150,000 men back home, owing to their efficient work, and ask that by reason of their efficient work on construction that they be transferred to a department of public works on account solely of the efficient way in which it has been seen that they handled the work.

It is my duty, and I was selected to talk with Mr. Doremus and Mr. Nichols in regard to this matter and make my report to the convention this afternoon, and that is why I have been here.

Mr. MCKENZIE. Col. Walbridge, I have been suspicious for some time that there was a well-organized, active, and particularly well-organized propaganda being put out for the continuance in peacetime of the Construction Corps of the Army.

Mr. WALBRIDGE. That is not true.

Mr. MCKENZIE. Now, I want to ask you when did you first hear about it?

Mr. WALBRIDGE. It has been brewing for upwards of 8 or 9 months.

Mr. MCKENZIE. How did you come to hear about it at first?

Mr. WALBRIDGE. Why, some of us people, who were down here and saw the inefficient business methods of the different departments of the Government. We saw that by their inefficient methods they were wasting our money as taxpayers, and we just realized that it is about time for this waste to stop.

For instance, there are 27 different bureaus in the United States Government that are doing construction work. Those different bureaus have got 27 purchasing organizations, 27 auditing systems and, in fact, 27 complete overhead organizations. Now, we want to protest against the spending of our money in that way.

Mr. MCKENZIE. Please name those 27 organizations.

Mr. WALBRIDGE. I do not think I can name those, but it shows there are 27.

Mr. MCKENZIE. Where did you get those records? Who furnishes you with those records?

Mr. WALBRIDGE. I do not know where we get them, but I know you have the Engineer of Construction Division in the Interior Department, and it is not advisory, they build. Then you have the lighthouse people, then you have the Bureau of Waterways, the Reclamation Bureau, and there are 27 of them in all. There is also the Treasury Department, Irrigation and Reclamation. I can name them all, but if you so desire I will write you and tell you what they are.

Mr. MCKENZIE. Would you favor attaching onto the Military Establishment of the Government an additional corps of perhaps 17 commissioned officers and several thousand enlisted men to do the things that can be done without any additional expense?

Mr. WALBRIDGE. I am not asking to put on additional men, it offers to take off men.

Mr. MCKENZIE. If you can point out to me or any member of Congress where the addition of 170 officers and so many enlisted men will be a saving to the Government I will be glad to have you point it out.

Mr. WALBRIDGE. You can name the 25 different places where you can take them off.

Mr. MCKENZIE. What would you take off?

Mr. WALBRIDGE. Have not rivers and docks organizations?

Mr. MCKENZIE. How would you do away with it?

Mr. WALBRIDGE. I would put them all under one head.

Mr. MCKENZIE. Do you think that the Navy Department will accept your proposition on this thing?

Mr. WALBRIDGE. I do not know about the Navy Department, but if the reorganization is made by you people it will be effective. Take my own business. I have 16 propositions right now and I have one overhead office that handles those 16 propositions, one purchasing agent, one auditing department, one estimating department.

Now, as it is handled by the Government I would have sixteen times my main overhead, and all departments would be sixteen times as large and I would go broke, and that is what the Government will do if it does not conserve and does not put all those under one good business head.

Mr. MCKENZIE. Do you maintain that the Treasury Department carries a construction division and that the Coast Guard carries a construction corps, and that you would do away with all that and put it all under one construction corps?

Mr. WALBRIDGE. Absolutely.

Mr. MCKENZIE. And likewise that you would do away with all the other activities of the Government and have them under one construction corps?

Mr. WALBRIDGE. Absolutely.

Mr. MCKENZIE. Is it not true that in the Treasury Department all they have there is the architect who designs the buildings and then they make regular contracts and have outside men to do the work?

Mr. WALBRIDGE. In a way.

Mr. MCKENZIE. How did those 140 organizations that you are telling about come together?

Mr. WALBRIDGE. I do not know.

Mr. MCKENZIE. You did not start it, did you?

Mr. WALBRIDGE. No; I did not.

Mr. MCKENZIE. Somebody must have started it?

Mr. WALBRIDGE. I think they did; yes, sir.

Mr. MCKENZIE. And you have come all the way to Washington to pass resolutions asking Congress to fasten on to the military establishment this additional power and to transfer—

Mr. WALBRIDGE (interposing). No, sir; we are not asking that.

Mr. MCKENZIE. And to transfer from all the other bureaus of the Government whatever construction may have to be done by the Government.

Mr. WALBRIDGE. Positively not. We are not asking to have it put into the military establishment, we want it under the Department of Public Works. It has all got to be consolidated under one head in some department.

Mr. MCKENZIE. Then you would take it out from the military establishment?

Mr. WALBRIDGE. I do not think it should be in the military establishment at all.

Mr. McKENZIE. You would hire them as civilians and pay them so much a month?

Mr. WALBRIDGE. Yes, sir.

Mr. McKENZIE. And then you would have them do the construction work for the Army. I now ask you, Col. Walbridge, what do you know about the propaganda on the part of the Construction Corps?

Mr. WALBRIDGE. Only what I am telling you now. I think that a Department of Public Works ought to be organized. Every foreign country has such a department now.

Mr. McKENZIE. There has been more lobbying along this line by men who served in the Construction Corps of the Army so far as I am concerned than in any one thing in connection with the Army.

Mr. WALBRIDGE. We are not asking for the continuance of the Construction Corps, but as I say we want it taken up as a unit, and that is what we, as taxpayers, are interested in.

Mr. McKENZIE. I think it will be fair to wait at least until Congress has time to digest and study the record and the economical saving made by the Construction Corps, if such was a fact, and I think it would be wise at least not to hasten the work of creating this new corps until we are at least satisfied in our own minds that their conduct and their management of the construction during the war and since has been of such a character that we would feel warranted in continuing that activity in peace times—

Mr. METCALF (interposing). If you will pardon me a moment Mr. Chairman, perhaps I can explain this proposition to you.

This movement is quite independent of the Construction Corps. I went out, as the delegate of the New England Water Works Association, to the convention in Chicago last April, to a convention that was called to consider this question of the establishment of a national department of public works.

The same movement took place 30 years ago; then perhaps 15 years ago, and then now.

It was the belief and the experience of engineers primarily, and architects, chemical engineers, and men of that type that the waste was tremendous—was awful on the part of the Government. They said just what has been stated here; that is, that the construction work going on in the various different departments was carried on at enormous cost to the Government and that the Government's interests best could be conserved by having all construction work executed under one head of department, such as the department of public works. They felt that the work could all be done at one place under one head and bureau rather than at 12 or 15 different places. We were represented at the last convention, some 70 odd organizations, with a membership of something like 100,000.

Mr. McKENZIE. Contractors and engineers?

Mr. METCALF. There were a few contractors. They were very largely engineers and architects of the various national associations, water works, and engineering associations. The American Society of Civil Engineers, Mechanical Engineers, Mining Engineers, Electrical Engineers, and so on. That is where the movement came from. Some of the men interested in the first movement were present at the time.

**Mr. McKENZIE.** You may be absolutely right about that. I am not questioning your statement or your sincerity in making it, but it does seem rather strange that just at this time, when the Congress of the United States, and especially the Committee on Military Affairs, is considering a bill for the reorganization of the Army on a peace-time basis and when the Chief of Staff and a number of prominent men in the Army have recommended the discontinuance of the Construction Corps as a separate corps, that we are now confronted with this activity on the part of the people on the outside, who ordinarily would not know the difference between the Construction Corps and a flying corps, as far as having any particular knowledge of what the thing meant.

**Mr. WALBRIDGE.** I think that is what brought it about. It was not to bring this before you. This principle antedates it by months; it extends well upward of a year. It is a direct result of what I have seen and that is what a very large body of engineers and architects and others skilled in this sort of work have come into intimate contact with—they have come into contact with the operations of the Government in such a way that they have never been brought into before and it has been brought home to them.

**Mr. DOREMUS.** As I understand you, Col. Walbridge, you did not come to Washington to advocate the continuance of the Construction Corps of the Army, did you?

**Mr. WALBRIDGE.** I believe that if we get what we are after it will put the Construction Corps out of business. That is what I think.

**Mr. DOREMUS.** What you were advocating is the coordination of all the building activities of the Federal Government so far as possible under one head, or under one department?

**Mr. WALBRIDGE.** Absolutely.

**Mr. DOREMUS.** And in your judgment that would result in economy to the Government?

**Mr. WALBRIDGE.** I think that is what we all believe.

**Mr. McKENZIE.** I do not think I get clearly just what organizations are represented in this meeting down at the hotel. Who are they?

**Mr. WALBRIDGE.** There are 124 different organizations represented here from nearly every State in the Union. I can not name all of them. There is the American Society of Civil Engineers, the Mechanical Engineers, the Mining Engineers, the Building Supply Men, the Manufacturers' Association of the United States, the Lumberman's Association of the United States.

**Mr. McKENZIE.** They are affiliated building crafts?

**Mr. WALBRIDGE.** No; not at all; those are manufacturers and engineers and builders.

**Mr. McKENZIE.** They furnish materials?

**Mr. WALBRIDGE.** The manufacturers do not have anything to do with it—they are architects.

**Mr. McKENZIE.** Do they manufacture plumbing supplies?

**Mr. WALBRIDGE.** The Manufacturers' Association manufacture automobiles and engines and everything in the manufacturing line.

**Mr. McKENZIE.** That is all.

(The witness withdrew.)

**TESTIMONY OF MR. GEORGE W. STORCK, CERTIFIED PUBLIC ACCOUNTANT, NEW YORK CITY, N. Y.**

(The witness was sworn by the chairman.)

Mr. McKENZIE. Please give your full name and address to the reporter.

Mr. STORCK. George W. Storck, 55 Liberty Street, New York City, N. Y.

Mr. McKENZIE. What is your business, Mr. Storck?

Mr. STORCK. I am a certified public accountant.

Mr. McKENZIE. How long have you been in that business.

Mr. STORCK. Since 1895.

Mr. McKENZIE. Have you been in the employment of the Government at any time?

Mr. STORCK. Yes, sir.

Mr. McKENZIE. In what position?

Mr. STORCK. I held the position as expert accountant for the United States Department of Justice for over 10 years.

Mr. McKENZIE. What was the character of your work during that period of time?

Mr. STORCK. Examining national banks, mail fraud, bankruptcies, etc.

Mr. McKENZIE. Under what department did you make certain investigations at Camp Lee?

Mr. STORCK. Under the War Department, under Gen. Littell.

Mr. McKENZIE. Were the orders issued by Gen. Littell?

Mr. STORCK. Yes, sir.

Mr. McKENZIE. State what you did and when your services terminated, and why.

Mr. STORCK. I will state that in the latter part of 1917 a request was made by Gen. Littell to Mr. A. Bruce Bielaski, the chief of investigations, for an accountant to make an investigation of Camp Lee. I saw General, then Col. Littell, and subsequently a letter was issued by the Department of Justice granting me a furlough to go off the Department of Justice pay roll and to go on the War Department pay roll. Here is the letter, sir [indicating]. I reported on or about September 27, 1917, to a Capt. Henry McConnell, stationed at Fort Jay, Governors Island. When I arrived there Capt. McConnell told me that certain irregularities there had come to Gen. Littell's ears, relative to this camp, and that he wanted a thorough examination made. I asked about getting men, and some 8 or 10 men were employed, and went on the War Department pay roll to make this investigation. When I got at Camp Lee, I asked for the vouchers covering payments that had been made. I found that there was not a voucher that had been audited or prepared although I was disbursing officer at that time, Capt. Ira J. Hooks, had paid out \$4,000,000. When I learned of that, I called the attention of a Mr. Abadie, later I believe Col. Abadie, now with the Shipping Board, and Capt. McConnell, and we got hold of Capt. Hooks, and arranged for a meeting in the hotel in Petersburg. That night Capt. Hooks came and we talked over the matter with the captain and he said he thought he had the vouchers—that is, Capt. Hooks—that he recommended upon an auditing committee of the field auditor. It was suggested



Maj. Abadie that we all proceed to Washington and lay the facts before Gen. Littell and other officers. I left the following morning about 3 o'clock, arriving in Washington about 10 o'clock the following morning. The facts were stated to Col. Littell and I believe Maj. Marshall and I believe Maj. Shelby at that time.

I believe there was a W. P. Hilton, division auditor, who was also present; also a Mr. West, a central auditor who was called in. The facts were laid before them and the division auditor was instructed to get the vouchers out as quickly as he possibly could, and we all returned to Petersburg. After waiting a reasonable time, I received about 50 vouchers—that is, 50 original vouchers with 20 or more subvouchers attached. We laid out a plan to go over each and every one of the vouchers. I have the form here if you care to see it. We worked on that for about a month or two. Then the vouchers stopped coming in again. Capt. McConnell laid the facts before Col. Littell, forcing these vouchers to come through more quickly. Mr. Hilton, who was the division auditor, was taken off the work, and Mr. Clader, who was field auditor of Philadelphia, and then after resigning his position, I was asked whether I would take the auditorship. I told them "nothing doing." It was then given to the chief clerk, a man by the name of Brunsen, and I believe the appointment of this man was made by Maj. Abadie. I worked down there from around September 27 to January 13. I believe January 10, 1918, while I was receiving some of the vouchers that had already passed and distributed on my forms, the auditor, the field auditor, requested these vouchers, stating that he wanted to make some corrections. When they came through again instead of the sheets being sent through they had substituted other vouchers which came direct but of like number. I called Capt. McConnell's attention to this and suggested that he go to Washington, that I would not be responsible to make any investigation or audit after passing a voucher once. Capt. McConnell, went up that night to Washington and we had arranged that if Gen. Littell was to call the investigation off, he would wire me. I have Capt. McConnell's telegram here. [Reading:]

WASHINGTON, D. C., *January 18, 1918.*

GEORGE STORCK,

*Hotel Petersburg, Petersburg, Va.:*

Meet me at "Cannon Ball" to-morrow morning. Finis.

MOURELL.

The next morning the Cannon Ball train was due at 10 o'clock. I did not go out to the camp, but I went to the Atlantic coast station in Petersburg and I met Capt. McConnell. He and I proceeded together to the camp. On the way there Capt. McConnell stated to me that he had laid the facts before the general, and that he, the general, thought we had accomplished our mission at Camp Lee. When we arrived at Camp Lee, Capt. McConnell bought an officer's locker and all of our working papers, statements by witnesses, connected with the investigation were placed in this officer's trunk locker and corded, properly labeled, and the same was placed in the brick vault of the construction quartermaster for safe keeping. I saw that this was done.

Mr. McKENZIE. That is what was done with your data?

Mr. STORCK. Yes, sir.

Mr. McKENZIE. You were employed by this committee in order to give us the benefit of what you have done at that time, on which you made no report. Why did you not make a report?

Mr. STORCK. My report was made heretofore.

Mr. McKENZIE. I mean to the committee. Why did you not make a final statement in this case?

Mr. STORCK. For the simple reason that I did not have any data to go by. It was in my trunk.

Mr. McKENZIE. Did the War Department ever call on you to make a report for what you had done?

Mr. STORCK. No, sir; but it was my purpose to make a written report as soon as I got through with the work, the same as I do in all cases.

Mr. McKENZIE. After being employed by this committee, did you make any effort to get hold of this data, and what was the result?

Mr. STORCK. Yes, sir; I personally visited Camp Lee, saw Mr. George, the utility officer in charge, together with him we inspected the brick vaults, looked all through them but could find no trace of the trunk. He stated to me that he was under the impression that he got instructions to send all papers, have them packed up in cases, some 35 in fact, and have them sent to an office in Baltimore, the exact street of which I do not know. I went to Baltimore. I saw the officer in charge and I do not recall his name at this moment. He showed me the inventory, that is the contents of the 35 cases from Camp Lee, but there was no mention of this trunk. Capt. Wessen and this young man [indicating]. Walter Wessen, made a search for it.

Mr. McKENZIE. They made a search here in Washington?

Mr. STORCK. Yes, sir. I was told by this officer in charge in Baltimore that if I would go down and see Capt. Hooks's chief clerk, who was then in the Munitions Building at 5th and B Streets, in Washington, he might be able to tell me something about the trunk I went there. This young man referred me to Capt. Hooks. I saw Capt. Hooks and he stated that the last he saw of that trunk was that it was down there in the vault. He stated that he did not consider them his papers, and he paid no attention to them. That is as far as the trunk was concerned.

Mr. McKENZIE. Have you been able to find the trunk up to this time?

Mr. STORCK. No, sir.

Mr. McKENZIE. Your records being lost, I want to ask you to state from memory all the things that you have found out regarding Camp Lee as to the lack of system of auditing and checking, of payments and expenditures and any irregularities that you discovered there, either in the method of carrying on the business or paying unauthorized things belonging to the contractor. Also any other irregularities that you may have noticed.

Mr. STORCK. I notice that freights were being paid within the 10-mile limit. I noticed that discounts were not being taken. I knew that they were paying higher prices than contracted for for lumber

from local dealers, and I called the attention of the Field Auditor to this fact and he commenced to make these deductions. They amounted to some seventy-odd thousand dollars. If the bills have been paid they deducted the amount from subsequent vouchers. Later I examined these vouchers.

**Mr. McKENZIE.** By that you mean that your investigation saved the Government \$70,000, is that the idea?

**Mr. STORCK.** I mean that my investigation showed that there was carelessness. They did not properly finish or check up their records and had it not been called to their attention they would have lost seventy thousand-odd dollars.

**Mr. McKENZIE.** Go ahead.

**Mr. STORCK.** While I was there I looked into some of the local people from whom they purchased, like in Charlottesville, in the account of Rinehart & Dennis. I know that they made purchases from the W. T. Martin Hardware Co. The exact figures I can give you. I think, Mr. Chairman, I had better read this into the record:

W. T. Martin Hardware Co., Charlottesville, Va.

The purpose of an examination of the books of the above company was to determine whether or not this company had any connection with the Rinehart & Dennis Co., as the writer had been reliably informed that they had.

An examination of the books discloses the following: That the W. T. Martin Hardware Co. was organized under the laws of Virginia in 1912 with a capital stock of \$50,000, par value \$100 a share, the incorporators being W. T. Martin, S. E. Rice, C. W. Graves, and J. Hollis Rinehart—the latter of Rinehart & Dennis Co.

An examination of the stockholders' ledger and the stock-certificate book shows outstanding certificates as of date October 13, 1919, as follows:

Three hundred and twenty shares outstanding, among which are the following:

Date.	Shares.	In name of—
Jan. 24, 1912.....	60	Hollis Rinehart.
Feb. 7, 1917.....	50	J. Hollis Rinehart.
Do.....	40	Do.
Aug. 27, 1917.....	10	Do.
Nov. 15, 1917.....	15	Hollis Rinehart.
Feb. 7, 1917.....	10	P. H. Faulconer.
Aug. 31, 1917.....	10	Do.
Total.....	200	

**Mr. McKENZIE.** Who is this man Faulconer?

**Mr. STORCK.** The superintendent of the Rinehart & Dennis Co. at Camp Lee—general superintendent.

Of the 320 shares outstanding as of date of October 13, 1919, 200 shares were held by Rinehart and Faulconer, which gave them the control of the W. T. Martin Hardware Co., and such shares were issued prior to and during the time that the Rinehart & Dennis Co. had the contract for the construction of Camp Lee.

During the years 1917, 1918, and 1919 and at the time the 320 shares were outstanding of which Messrs. Rinehart and Faulconer held 200, dividends were declared on the outstanding stock. as follows:

Dates.	Per cent.	Amount of dividend.	Dates.	Per cent.	Amount of dividend.
Jan. 6, 1917.....	10	\$3,200	July 27, 1918.....	6	\$1,920
July 2, 1917.....	8	2,500	Jan. 7, 1919.....	10	3,200
Dec. 31, 1917.....	10	3,200			

Individual checks were drawn to the order of the stockholders of record as of date the dividends were declared, and Messrs. Rinehart & Faulconer received their checks for the amount of their dividends.

At a meeting of January 6, 1919, the following directors of W. T. Martin Hardware Co. were elected: J. Hollis Rinehart, P. H. Faulconer, A. T. Parrott, C. W. Graves, and S. E. Rice.

At a meeting of January 8, 1917, the following directors were elected: J. Hollis Rinehart, S. E. Rice, R. D. Rhodes, and C. W. Graves.

At a meeting held January 8, 1918, directors were elected as above and in addition thereto P. H. Faulconer and H. E. Parrott.

An examination of the general books of the W. T. Martin Hardware Co. shows an account with Rinehart & Dennis Co. in which under date of July 5, 1917, Rinehart & Dennis Co. purchased 200 rolls of roofing for \$3,045, which I am informed by Mr. S. E. Rice, secretary-treasurer of the company, was for the Camp Lee job.

#### JOHN A. PAYNE LUMBER CO., VERA, VA.

The John A. Payne Lumber Co. is located at Vera, Va., 16 miles from the railroad from Appomattox and 20 miles off the railroad from Prospect, Va.

The John A. Payne Lumber Co. prior to June 1, 1917, was known as the Faulconer Lumber Co., a corporation organized under the laws of the State of Virginia, in the year 1916, with a capital of \$150,000 in shares of the par value of \$100 each.

#### OFFICERS.

Its officers, directors, and stockholders at the time being:

P. H. Faulconer, president, who held \$5,000 of the capital stock.  
Hollis Rinehart, vice president, who held \$5,000 of the capital stock.

John A. Payne, secretary-treasurer, who held \$5,000 of the capital stock.

The capital was paid in cash and the corporation purchased a tract of timber in Appomattox County from Messrs. Hardstack & Gilbert and also purchased the necessary machinery and equipment.

Up to June 1, 1917, the Faulconer Lumber Co. had upward of 1,000,000 feet of lumber cut and seasoned on its property, and as informed by Mr. John A. Payne, who, by the way, is a brother-in-law of P. H. Faulconer, that they were desirous of selling this lumber:

Camp Lee, but as Rinehart & Dennis Co. were the contractors, "They wanted to do everything on the square," they, the stockholders of the Faulconer Lumber Co. (Payne, Rinehart & Faulconer) decided to sell out the company to Mr. Payne who was to organize the John A. Payne Lumber Co., not as a corporation but as a copartnership, the copartner being Mrs. Payne, the wife of John A. Payne and the sister of Faulconer.

Payne bought out the Faulconer Lumber Co. for \$10,000; which was paid in the following manner:

Payne gave his note or notes for the purchase price to Faulconer but the notes were never paid, nor were they protested, for the reason that he paid the interest thereon.

The Faulconer Lumber Co. did not give up its franchise, and the corporation was kept alive by Mr. Payne paying its corporate tax to the State of Virginia.

From July 31, 1917, to December 31, 1917, the John A. Payne Lumber Co. sold to the Rinehart & Dennis Co. lumber for Camp Lee, amounting to \$75,100.97, all of which has been paid for at an average price of \$27.50 per 1,000 feet, f. o. b. Petersburg, Va.

The books of the John A. Payne Lumber Co. show that after writing off depreciation for the period ending December 31, 1917, the net profits were \$6,000. These profits were not distributed in the form of dividends, but were used to purchase additional machinery and equipment.

On January 1, 1919, the John A. Payne Lumber Co. sold out to the Faulconer Lumber Co. its business for \$10,000 (exactly the amount for which the Faulconer Lumber Co. sold to the John A. Payne Lumber Co.) the consideration being as follows: The notes that the Payne Lumber Co. gave to the Faulconer Co. for \$10,000 and which had not been paid (on the interest having been paid thereon) P. H. Faulconer canceled the note and in addition returned the interest that Payne had paid on the notes.

During the period that the John A. Payne Lumber Co. controlled or had the Faulconer Lumber Co. new books were not opened nor the old ones changed, but on the contrary the books of the Faulconer Lumber Co. were used to conduct the business of the John A. Payne Lumber Co.

At the time that Payne took over the Faulconer Lumber Co. the stock of Hollis Rinehart of \$5,000 and P. H. Faulconer of \$5,000 were surrendered to John A. Payne, when it again became the Faulconer Lumber Co. Payne surrendered the original shares back to both Rinehart and Faulconer.

When Mr. Payne was asked for the "stockholders' ledger" and "the minute book" of the company he stated that the Faulconer Lumber Co. had never kept any minutes and that Mr. Faulconer had at one time stated that they should keep a minute book, or there might be some trouble, but they (the stockholders and directors) had never gotten together to pass any resolutions, but that they had consulted with each other from time to time as to the policies of the company, that they did not keep a stockholders' ledger for the reason that there were only three stockholders and their accounts were shown on the current ledger.

Mr. Payne is now acting as general manager for the Faulconer Lumber Co. at a salary of \$1,200 per annum. No salaries have been

paid to either Rinehart or Faulconer, and while no dividends have been declared, nevertheless, the assets of the Faulconer Lumber Co. have been increased \$6,000 through the profits of the John A. Payne Lumber Co., who used these profits to purchase new machinery and equipment, and which in turn was transferred over to the Faulconer Lumber Co.

### RINEHART & DENNIS CO.

I might say in preface that P. H. Faulconer was receiving a salary of \$600 a month, which I questioned at the time, from the Government on the pay rolls of the Rinehart & Dennis Co.

An examination of the stockholders' ledger and the stock certificate books show that the above corporation was organized in 1917 under the laws of Virginia with a capital stock of \$500,000 par value of \$100 a share; that there was issued and outstanding up to June 3, 1918, 4,719 shares, aggregating \$471,900, and that there still remains in the treasury \$28,100, or 281 shares. The outstanding stock was as follows:

In name of—	Date.	Number shares.	In name of—	Date.	Number shares.
W. F. Dennis.....	Apr. 10, 1917	875	W. H. Faulconer.....	April 10, 1917	
Hollis Rinehart.....	do.	434	E. W. Hardesty.....	do.	
P. H. Faulconer.....	do.	920	Do.....	do.	
Estella Faulconer.....	do.	315	Do.....	Apr. 20, 1917	
E. J. Perkins.....	do.	50	Do.....	do.	
Do.....	do.	50	Do.....	do.	
Do.....	do.	25	W. A. Gibson.....	do.	
Do.....	do.	25	Do.....	do.	
Do.....	do.	25	E. R. Faulconer.....	do.	
Do.....	do.	10	Do.....	do.	
Do.....	do.	7	Do.....	do.	
Do.....	Feb. 25, 1918	50	D. C. Slobohm.....	do.	
Lena T. Rinehart.....	Apr. 10, 1917	568	Do.....	do.	
W. H. Faulconer.....	do.	133	Do.....	Mar. 5, 1918	
Do.....	do.	100			

At that time Mr. P. H. Faulconer held 920 shares of the Rinehart & Dennis Co. stock. His wife held 315 shares. And that was Apr. 10, 1917; and he still holds them. That covers the Government. That Mr. Hollis Rinehart holds 434 shares; that Mr. W. F. Dennis holds 875 shares; that Mrs. Lena T. Rinehart, the wife of Hollis Rinehart, holds 568 shares. Mr. Faulconer's brother, W. H. Faulconer, holds 233 shares; Mr. E. W. Hardesty holds 83 shares; Mr. W. A. Gibson holds 28 shares; Mr. E. R. Faulconer holds 67 shares; Mr. D. C. Slobohm holds 1 share; and Mr. E. J. Perkins holds 242 shares.

On the pay rolls at Camp Lee, and which will be confirmed by Mr. E. W. Hardesty, treasurer of the Rinehart & Dennis Co., there were employed: E. J. Perkins, W. A. Gibson, who was employed in the office of Rinehart & Dennis as chief clerk at Camp Lee and that D. C. Slobohm acted as assistant manager for Rinehart & Dennis at Camp Lee and that E. R. Faulconer was employed as superintendent teams at Camp Lee.

Prior to 1917 the directors of the Rinehart & Dennis Co., for the year 1916, were as follows: W. A. Rinehart, Hollis Rinehart, E. W. Hardesty, E. J. Perkins, W. A. Rinehart, 2d., W. F. Dennis, P. H. Faulconer, W. H. Faulconer, and E. R. Faulconer.

## DIVIDENDS.

For the year 1916 dividends of 50 per cent were declared on the outstanding stock.

For the year 1917 dividends of 30 per cent were declared on the outstanding stock.

For the year 1918 dividends of 8 per cent were declared on the outstanding stock.

Individual checks to the stockholders were issued and Messrs. Faulconer, Slobohm, Perkins, and Hardesty received checks for their dividends.

From an examination of the general ledger it will be noticed that all of the outstanding shares that each and every one of the stockholders were permitted to draw money upon account from Rinehart & Dennis Co., and the reason as given by Mr. Hardesty, the treasurer, was that the Rinehart & Dennis Co. had too much surplus funds in bank. Mr. Hardesty further states that these loans were made to the stockholders on a percentage basis of the shares outstanding and that the said loans are payable on demand.

Under date of January 1, 1919, the ledger accounts show that accounts were opened with all of the outstanding stockholders, who received money amounting to \$226,606.23.

I questioned Mr. Hardesty, the treasurer, regarding the same, and he said that the Rinehart & Dennis Co. had too much surplus funds in bank, and that they had held a meeting and decided to loan these various accounts to their stockholders, which was subject to a demand loan.

I asked him for his minute book and when he gave it to me I looked all through the book but I could not find a resolution authorizing the payment of these amounts and reducing the surplus of the Rinehart & Dennis Co.

In going through their files I found a number of claims which had been filed by Rinehart & Dennis with the War Department, a number of which were the same that I had charged back, or had been charged back when I was at Camp Lee in 1917.

*Statement showing the claims of Rhinehart & Dennis Co. filed with the War Department giving their original claim number, the description of the claim, amounts, etc.*

Claim No.	Description.	A, amount.	B, balance unclaimed.
1	Deduction lumber shortages.....	\$5,623.83	\$837.16
2	Deduction lumber prices.....	24,011.54	
3	Deduction freight, 100-mile limit.....	19,748.11	1,258.36
4	Petersburg to Camp Lee.....	15,522.44	143.20
6	Deduction laundry.....		1,664.63
9-1	Deduction officer salaries.....		1,200.00
10	Deduction Briggs Y. M. C. A. work.....		387.45
13-1	Deduction officers' hotel expenses, etc.....		321.32
20	Deduction lumber prices.....		153.92
29	Deduction proved unpaid invoices merchants will not receipt.....	3,691.69	
30	Deduction unpaid lumber undergrade.....		475.66
33	Deduction invoices unpaid lack delivery proof.....		376.66
35	Deduction charge backs lack delivery proof.....		199.67
36	Deduction lack delivery proof.....		273.58
39	Deduction trench machine rental.....		550.00
	Total.....	46,997.61	7,842.61

I wish to call attention that A represents claims paid when proof is established that they have not been previously paid. B represents claims now in Maj. Newton's hands for decision.

*Claims of Rinehart & Dennis Co., Camp Lee.*

Claim No.	Description.	C. ar
7	Disallowed insurance.....	1.
8	Disallowed insurance.....	2.
9	Deductions fire insurance.....	4.
	Total.....	7.

NOTE.—To be submitted by contractor to Auditor for War Department.

*Claims by contractor on railroad.*

Claim No.	Description.	D. ar
21	Deductions for shortages.....	1.
22	Deductions for shortages.....	1.
27	Charge backs—pipe shortages.....	1.
26	Charge backs—pipe shortage.....	1.
	Total.....	1.

*Rinehart & Dennis Co., working on in Baltimore to get in shape before submitting.*

Claim No.	Description.	E. ar
32	Chargeback freight.....	1.
34	Unpaid oil drums not returned.....	1.
38	Cement bags lost.....	1.
40	Chargeback memorandum 756 on fee.....	1.
	Total.....	1.

SUMMARY.

Total of:		
A.....		1.
B.....		1.
C.....		1.
D.....		1.
E.....		1.
Total claims pending.....		1.

These claims have been deducted from vouchers by the field auditors department, the details of which are on file with the committee. At the time of my examination of the Camp Lee records in the latter part of 1917 and the early part of 1918 deductions of \$70,106.37 had been made from various vouchers.

From an examination of the vouchers for claims filed by Rinehart & Dennis Co. with the War Department I find a number of the items mentioned in the above statement have been paid, so that actual payment has been made by the War Department aggregating \$80,756.05. Some of these claims have been justifiable as the part of the Rinehart & Dennis Co., and they claim that all of the



original papers to support their claims are in the possession of the War Department.

And on examination of the correspondence and the vouchers on file in the office of Rinehart & Dennis Co. I find that the following claims have been paid:

## VOUCHER 490, RINEHART &amp; DENNIS CO.

For month of December, 1918, which was for road fee, account of road work done at Camp Lee-----	\$19,194.02
Less overadditions on pay rolls-----	1,010.28
	<hr/> 18,183.76

This claim was paid by United States Treasury check dated December 2, 1918, for \$18,183.76, drawn by William McKaye Scott, construction quartermaster, at Camp Lee, and was deposited in the National Bank at Charlottesville to the credit of Rinehart & Dennis Co. general account.

Rinehart & Dennis Co. up to this time has not been paid for the deduction of \$1,010.28.

## VOUCHER 585, RINEHART &amp; DENNIS CO.

Government voucher 232, January 22, 1918, Perkinson & Finn, for rental of concrete mixer-----	\$378.00
March 31, 1918, Rinehart & Dennis Co., monthly office pay roll for March, 1918-----	993.98
March 31, 1918, Petersburg Sand & Gravel Co., switch charges on sand and gravel shipped-----	1,140.00
	<hr/> 2,511.98

This claim was paid by Government check No. 1423 on March 19, 1919, signed by William McKaye Scott, construction quartermaster at Camp Lee, and on which day Rinehart & Dennis Co. paid Perkinson & Finn the said amount as covered by their voucher No. 584.

## VOUCHER 605, RINEHART &amp; DENNIS CO.

For month of April, 1917, in payment of claims Nos. 3 and 4, freight— \$3,512.19

This claim was paid by Government check No. 3741, dated April 24, for \$19,489.75, and on April 24, Government check No. 3742 for \$15,522.44, said checks being signed by William McKaye Scott, construction quartermaster at Camp Lee, and covered by Government vouchers Nos. 159 and 160.

Claim No. 3 represented freight within the 100-mile limit, Petersburg.

Claim No. 4 represented freight Petersburg to Camp Lee.

Of the deductions for claim No. 3, \$1,258.36 still remains unpaid. On claim No. 4 there still remains unpaid \$143.20.

## VOUCHER 630, RINEHART &amp; DENNIS CO.

For month of May, 1919, for portions of claims Nos. 1, 2, and 32, lumber shortages, lumber prices, and charge back freights, \$8,352.80.

These claims were paid on Government vouchers Nos. 28, 29, and 30 by Government warrant No. 3988 May 16, 1919, signed by Wm. McKaye Scott, Construction Quartermaster at Camp Lee.

## VOUCHER NO. 651, RINEHART &amp; DENNIS CO.

May, 1919, for claims attached (no memorandum of same) covered by Government vouchers Nos. 14 to 20, inclusive, for supplies, \$11,231.37.

These were paid by Government warrant No. 5313 dated June 7, 1919, signed by Wm. McKaye Scott, Construction Quartermaster, Camp Lee.

## VOUCHER NO. 703, RINEHART &amp; DENNIS CO.

June, 1919, for claims as per receipted invoices turned over to field auditor at Camp Lee as per letters June 23 and June 25, 1919, Rinehart & Dennis' claims Nos. 22, 28, 34, 38, 42, and 20, \$5,001.19.

These claims were paid by Government warrant No. 5402 dated July 5, 1919, signed by Wm. McKaye Scott, Construction Quartermaster, Camp Lee.

## VOUCHER 7682, RINEHART &amp; DENNIS CO.

July, 1919, contractor's claim No. 40, error deducting fee covered by Government voucher No. 23 dated July, 1919, \$75.81.

This claim was paid July 25, 1919, by Government warrant No. 5423 dated July 23, 1919, signed by Wm. McKaye Scott, Construction Quartermaster.

## VOUCHER NO. 585, RINEHART &amp; DENNIS CO.

September, 1919, for claim No. 10, Briggs Electrical Co., account of electrical work for temporary Y. M. C. A. camp, Government voucher No. 2 \$387.45.

This claim was paid on September 23, 1919, by check, Capt. Ira Hooks, No. 4195 dated September 22, 1919.

This item appears on pay roll No. 8 charged to "Building: foreman at 75 cents an hour, 6 linemen at 60 cents an hour, and helpers at 45 cents per hour, in all 63 hours."

Rinehart & Dennis Co. state that they were directed to do the work by Maj., now Col. Edwards.

## SUMMARY.

Voucher 490	-----	\$18, 153.75
Voucher 585	-----	2, 511.25
Voucher 605	-----	35, 012.50
Voucher 430	-----	9, 375.00
Voucher 651	-----	11, 231.37
Voucher 703	-----	5, 001.19
Voucher 7682	-----	75.81
Voucher 885	-----	387.45

80, 734.32

An examination of the vouchers made by us in Baltimore office of the War Department shows that the general contractor (Rinehart & Dennis Co.) received as their fee the sum of \$250,000, maximum made up as follows:

Aug. 10, 1917, voucher 3034	-----	100.00
Sept. 15, 1919, voucher 118	-----	100.00
Nov. 28, 1917, voucher 340	-----	100.00
	-----	300.00

**Mr. McKENZIE.** Do you know whether any of these claims have been allowed since?

**Mr. STORCK.** Yes, sir; they have. I think that under the date that I have just read into the record.

**Mr. McKENZIE.** I wish you would read into the record those claims that have been allowed, as I understand, these are matters that you objected to when you were making your investigation at Camp Lee, and had them charged back to them.

**Mr. STORCK.** Yes, sir; through the field auditor.

Voucher No. 490, of the Rinehart & Dennis Co., is in the sum of \$19,194.02, in the month of December, 1918. This was settled by a United States Treasury check dated December 2, 1918, for \$18,183.26, drawn by William McKaye Scott, construction quartermaster, at Camp Lee, and was deposited in the National Bank, at Charlottesville, to the credit of Rinehart & Dennis Co., general contractors.

**Mr. McKENZIE.** What was that claim for, do you know?

**Mr. STORCK.** It was for road work, for which proper voucher had been sent through. I do not say that claim was not justifiable, but it was not justifiable at the time.

**Mr. McKENZIE.** What is the next voucher?

**Mr. STORCK.** Voucher No. 585, Rinehart & Dennis Co. This voucher is Government voucher No. 232, dated January 22, 1918, to Perkinson & Finn, for rental of concrete mixers. This amounted to \$378.

**Mr. McKENZIE.** Was that a proper item to be paid?

**Mr. STORCK.** That had been lying idle and had not been used, although they had been paying the rental of it.

**Mr. DOREMUS.** What is your judgment as to that?

**Mr. STORCK.** As far as that is considered, I know they were asked to pay it, but I was calling it to the attention of the proper officers.

March 31, 1918, the Petersburg Sand & Gravel Co., for switching charges on sand and gravel shipped in the amount of \$1,140.

This claim was paid by the Government check of March 19, 1919. That is here in evidence, but it has been held up all that time.

**Mr. DOREMUS.** Do you consider that a proper charge?

**Mr. STORCK.** I stated before that I thought it was a proper claim, that they would have to pay it, but it was carelessness on the part of the contractor to have it idle all that time. Then there was voucher No. 605, of the Rinehart & Dennis Co., in the month of April, 1917, in payment of claims Nos. 3 and 4, freight—claim No. 3 was for a deduction of freight on the 100-mile limit. The total amount we object to was \$19,748.11.

Claim No. 4 was for freight, Petersburg to Camp Lee, \$15,522.44. This claim was paid under date of April 24, by Government check No. 3742, for \$15,522.44. And check No. 3741, April 24, in the sum of \$19,489.75, check being signed by William McKaye Scott, construction quartermaster, at Camp Lee.

Voucher No. 630, Rinehart & Dennis Co., is for the month of May, 1919, for portions of claims, Nos. 1, 2, and 32, lumber shortages. Lumber prices and charged back freight amount to \$8,352.80.

These claims were paid under date of May 16, 1919. Voucher being signed William McKaye Scott, construction quartermaster, at Camp Lee.

Voucher No. 651, under date of May, 1919, for claims covered by Government vouchers Nos. 14 to 20, inclusive, some of them on lumber prices, officers hotel expenses, officers salaries. This was paid by the Government warrant June 7, 1919, signed by William McKaye Scott, construction quartermaster, at Camp Lee.

Voucher No. 703 Rinehart & Dennis Co., dated June, 1919, for claims as per receipted invoices turned to field auditor at Camp Lee, claims being 22, 28, 34, 38, 42, and 20 amounting to \$5,001.19.

The nature of these claims were deductions for shortages, oil drums not returned, etc. Also charge back and lack of delivery proof. Lumber prices.

Voucher 7682, Rinehart & Dennis Co., \$75.81, claim No. 40, error in deducting fee. This claim was paid July 5, 1919, signed check of William McKaye Scott, construction quartermaster at Camp Lee.

Voucher No. 585, dated September, 1919, for claim No. 10, Briggs Electrical Co., on account of electrical work done for temporary Y. M. C. A., \$387.45. This claim was paid on September 23, 1919, by check of Capt. Ira J. Hooks, dated September 22, 1919.

Mr. McKENZIE. As I understand it there are two classes of claims. One class that were originally rejected and subsequently paid and which should not have been paid, as for example, freight within the 100 mile limit. And the other unpaid claims that were not properly made out but which should be paid. I wish you would differentiate in your statement so as to show which were the improper payment and not merely deferred payment.

Mr. STORCK. Well, I will give you those things which I think should not have been paid.

There was claim No. 2, a deduction for lumber prices, amounting to \$24,011.54; there was claim No. 3, a deduction for freight within the 100 mile limit, amounting to \$19,748.11. There was claim No. 4, amount for deduction of freight from Petersburg to Camp Lee, amounting to \$15,522.44. Those claims have been paid and they should not have been paid. Then there is claim No. 9-1, a deduction for officers' salaries, amounting to \$1,200, which balance had not been cleared but which should not be paid. Those claims, up to the time of my visit to the Rinehart & Dennis Co., on October 15, 1919, amounted to \$80,756.55.

Mr. DOREMUS. As I understand it, Mr. Storck, those were all claims that were presented after the work had been completed at Camp Lee. Is that correct?

Mr. STORCK. No, sir; these deductions amounting to \$70,000, were made during the time that I was there; that is, between September 26, 1917, and January 13, 1918. Then there were subsequent claims made, which I have read off, which makes it \$80,000 that was reimbursed to Rinehart & Dennis Co., instead of the \$70,000 which I charged back to them.

Mr. DOREMUS. What I am anxious to get particularly is something that has been suggested by Col. Chantland. Of this total of \$80,000 we want to know if you can tell us what proportion you considered were the legitimate claims, and what proportion should have been disallowed.

Mr. STORCK. I might say that my instructions were that I was to charge back anything that was over \$28 per thousand feet for lumber.

purchases of lumber at Camp Lee. Therefore, I consider that a proper deduction.

Mr. DOREMUS. Is that your understanding of the matter?

Mr. CHANTLAND. It never should have been claimed.

Mr. STORCK. Claim No. 3, is a claim for freight within the 100 mile limit, Petersburg to Camp Lee. And all freight was to be delivered f. o. b. camp. Therefore, I consider these claims as being incorrect, and they should not have been paid.

Mr. MCKENZIE. Is there anything further that you desire to say?

Mr. STORCK. Officers' salary, for instance, Mr. P. H. Faulconer, that is surely incorrect.

Mr. DOREMUS. What did that amount to?

Mr. STORCK. It amounted to \$7,200 a year. Six hundred dollars a month, if he was there a year. I do not know how long he was there, but up to the time I was there he got \$1,200, and I objected to it, and I know he got that back because he made affidavit to effect that he was not an officer of the Rinehart & Dennis Co.

Mr. CHANTLAND. And your work disclosed that he was?

Mr. STORCK. Yes, sir; that is why I went to the Rinehart & Dennis Co.

Mr. DOREMUS. Your record also shows that he was a stockholder?

Mr. MCKENZIE. Now what else can you state?

Mr. STORCK. Now, there were a number of invoices or claims that were paid that they could not prove delivered. Messrs. Rinehart & Dennis told me in person that it was impossible to get receipts from the shippers. In regard to freight shipments, that you could have taken it back to the railway company but they had never got the receipts. I claim that they are wrong in that. That is about the general railroad order.

Mr. MCKENZIE. How about auto hire? What do you know about that? Just make a statement, Mr. Storck, and we will put it in the record.

Mr. STORCK. From personal observation at Camp Lee, I know of automobiles lying for weeks in the garages not in use. I had one myself that was always getting out of use. We had to engage another automobile, and while mine would be in the garage or repair shop. I know of a number of instances in which this exhibit [indicating] will show where the valuation was put on an automobile and in addition the valuation was paid in rentals and the machine was not taken over by the Government. I called the attention of the field auditor to it, and they promised to take over some of them. I think the rental book does not show any taken over. I examined this one [indicating] in Baltimore.

Mr. MCKENZIE. When was this book sent to Baltimore? After construction was completed?

Mr. STORCK. Yes, sir.

Mr. MCKENZIE. And where did you take the data from that you have on hand?

Mr. STORCK. From the regular book of the Rinehart & Dennis Co. From the Baltimore office of the War Department and the record of the past year.

Mr. MCKENZIE. Did you find an instance where really more than the value of the automobile was paid in rental?

Mr. STORCK. Yes, sir. I will just give you five. One is right here. The owners of these cars, they were Ford cars—I have the numbers of their engines.

The owner was Mr. W. A. Flinn, a member of the firm of Perkinson & Flinn, who had the road contract. These five Ford cars had a valuation placed on them of \$386 each. Take the first car, with a valuation of \$386. The rental paid on it was \$880; take the second car, with a valuation of \$386; the rental paid on it was \$895; take the third car, with a valuation of \$386; the rental paid on that car was \$800; take the fourth car, with an attached valuation of \$386; the rental paid on that car amounted to \$895; and then take the fifth car, with a valuation of \$386; the rental paid on that car was \$880.

From the above figures you can see that the rental paid over and above the actual cost of the car is the following: On the first car, \$494; on the second car, \$509; on the third, \$414; on the fourth car, \$509; on the fifth car, \$494. The records do not show that any of these cars were taken over by the Government after the rental reached the amount or actual value of the car.

Mr. McKENZIE. Let me ask you a question right here, Mr. Storck. Did the contract entered into, in relation to these automobiles, provide that when the maximum price for the machine had been reached by rentals that the machine was to be taken over?

Mr. STORCK. Yes, sir. It was to be taken over by the Government. And I will show where some have been taken over by the Government.

There was an Oakland car owned by Dr. H. T. Nelson, which was given a valuation of \$1,150. When the rental paid amounted to \$293 there was another payment, tax payment, made of \$85. Whereupon the car became the property of the Government. This is one instance.

Mr. McKENZIE. I think that will be sufficient on that. You may include the statement in the record.

(At this point there is to be inserted in the record statements covering the rental of automobiles, passenger automobiles, and trucks submitted by Mr. Storck.)

*Rentals of motor vehicles and machinery, Camp Lee.*  
PASSENGER AUTOMOBILES.

No. of car.	Owner's name.	Used by—	Name of car.	Engine No.	Valuation of car.	Rental paid.	Other payments.	Amount overpaid above value.	Amount below valuation.	Deductions for overpayment.	Remark.
135.	Altop Motor Co.	Capt. McConnell, Q. M. C.	Cadillac.			\$520.00	\$35.25				Valuation not given.
U. S. A. 40126 Q. M. C.	Briggs Engineering Co. <sup>1</sup>	R. & D. (Inc.)	Ford.	102716	\$425.00	425.00		( <sup>1</sup> )			
U. S. A. 12125 Q. M. C.	do. <sup>1</sup>	do.	Maxwell	135546	650.00	650.00		( <sup>1</sup> )			
U. S. A. 41128 Q. M. C.	do. <sup>1</sup>	do.	Ford	115079	350.00	350.00		\$130.00	\$295.00	\$130.00	5 passenger. Note the owner and by whom used.
U. S. A. 3625 N.	do. <sup>1</sup>	do.	Hupmobile		325.00	48.00		68.00			Owned by third party.
U. S. A. 28.	do. <sup>1</sup>	do.	Ford	30661	363.00	463.00		40.00			
U. S. A. 28.	W. A. King <sup>1</sup>	Briggs Engineering Co.	do.		425.00	463.00					
U. S. A. 31.	A. W. Baker	( <sup>1</sup> )	do.								
110 Q. M. C.	H. P. Bayley	( <sup>1</sup> )	do.		400.00	180.00			220.00		
U. S. A. 60117 Q. M. C.	J. B. Baily	Police use.	do.		365.00	190.00			175.00		
U. S. A. 44116 Q. M. C.	G. W. Clark	R. & D. (Inc.)	do.		370.00	525.00		155.00			Third party.
111 Q. M. C.	W. Care	do.	do.	925357	360.00	360.00					
U. S. A. 10.	U. S. Carrier	Maj. Eccle	Buick		1,400.00	215.00			1,185.00		
	W. A. Finn	( <sup>1</sup> )	Ford		1,000.00	320.00			680.00		Valuation not given.
U. S. A. 29119 Q. M. C.	do.	do.	do.	2082776	386.00	880.00					
U. S. A. 3112 Q. M. C.	do.	do.	do.	2082778	386.00	895.00		509.00			
U. S. A. 4112 Q. M. C.	do.	do.	do.	2081604	386.00	800.00		414.00			
U. S. A. 36121 Q. M. C.	do.	do.	do.	2082757	386.00	895.00		509.00			
U. S. A. 58107 Q. M. C.	E. R. Falconer	do.	do.	2082771	386.00	880.00		494.00			Valuation changed ( <sup>1</sup> ).
		do.	Oldsmobile.		1,597.00	925.00			772.00		No valuation.
U. S. A. 2121 Q. M. C.	W. W. Gill	( <sup>1</sup> )	Ford.			105.00			115.00		
135 Q. M. C.	Harrison Construction Co.	R. & D. (Inc.)	do.		375.00	260.00					
	W. H. Hardy	Maj. Alboadie	King 8.		1,900.00	733.00			1,067.00		No valuation given.
	do.	Capt. McConnell and Capt. Richardson.	do.			285.00					
U. S. A. 8109 Q. M. C.	A. J. Saville	A. J. Saville	do.		1,000.00	375.00			625.00		
U. S. A. 14104 Q. M. C.	do.	Engineer Corps	Ford		375.00	280.00			95.00		
106 Q. M. C.	E. J. Perkins	E. J. Perkins	Overland		935.00	680.00			255.00		
139 Q. M. C.	E. W. Hardisty	Paymaster	Maxwell		925.00	525.00			300.00		
	W. Tabor	Capt. Wood	National		500.00	320.00			180.00		
	C. P. Hargis	Fire Department	Buick		400.00	310.00			90.00		
U. S. A. 64141 Q. M. C.	C. J. Silage	Supt. Silage	Maxwell		725.00	180.00			545.00		

<sup>1</sup> Even.

<sup>1</sup> Marked "Government owned."

<sup>1</sup> For radiator.

*Rentals of motor vehicles and machinery, Camp Lee—Continued.*

PASSENGER AUTOMOBILES—Continued.

No. of car.	Owner's name.	Used by—	Name of car.	Engine No.	Valuation of car.	Rental paid.	Other payments.	Amount overpaid above value.	Amount below valuation.	Deductions for depreciation.	Remarks.
U. S. A. 4105 Q. M. C.	D. C. Slobohm	For emergency.	Overland		\$725.00	\$725.00		(1)	\$1,766.50		Paid full valuation.
U. S. A. 20	W. C. Rinehart	Supt. Rinehart	Hudson		2,100.00	533.00					No valuation given.
U. S. A. 5	C. S. K. Nelson	Commissary	Cadillac		1,150.00	293.00	\$857.00	(1)			
U. S. A. 50	I. J. Perkins	Dr. Neesh	Oakland		365.00	326.00			35.00		
	R. C. Powell	Supt. Perkins	Ford		365.00	365.00			220.00		
	R. C. Powell	Supt. Perkins	do		600.00	142.00			555.00		
	Chas. N. Romaine	Supt. Perkins	do		900.00	45.00			640.00		
134 Q. M. C.	W. R. Means	Paymaster	Overland		1,400.00	30.00			1,370.00		
U. S. A. 2424 Q. M. C.	R. & D. (Inc.)	Paymaster	Studebaker	1952585	482.55	482.55		(1)			
U. S. A. 59140 Q. M. C.	do	R. & D. (Inc.)	Ford	1900774	481.05	481.05		(1)	— .05		Original entry paid, \$500.40.
U. S. A. 23114 Q. M. C.	do	D. W. Wiedley	do	1648414	377.85	377.85		(1)			
U. S. A. 21122 Q. M. C.	do	Chief timekeeper.	do	2009500	482.55	482.55					
1115 Q. M. C.	do	R. & D. (Inc.)	do	1952585	481.05	481.05		(1)			
	do	Sanitary officer	Dodge	1728828	899.00	895.00	\$204.00	(1)			
	do	Ms. Edwards	Switz		1,500.00	135.00			1,365.00		No valuation given.
	do	R. & D. (Inc.)	Oldsmobile			40.00					Do.
U. S. A. 49129 Q. M. C.	Thomas & Harrison	do	do		20.00	20.00			510.00		
U. S. A. 46131 Q. M. C.	do	do	Stephens		1,465.00	955.00					
U. S. A. 56142 Q. M. C.	do	do	Ford		400.00	545.00		145.00			
U. S. A. 52130 Q. M. C.	do	do	do		365.00	875.00		510.00			
U. S. A. 37	do	do	do	1370684	390.00	390.00		(1)	255.00		
U. S. A. 53	do	do	do	1900931	700.00	120.00			640.00		
U. S. A. 47	do	do	Overland		375.00	60.00			165.00		
U. S. A. 26143 Q. M. C.	W. A. Smith	Supt. Smith	Ford		1,495.00	210.00			905.00		See previous entry.
U. S. A. 28	W. B. Perkins	Supt. Perkins	Stevens		985.00	890.00					U. S. A. 28.
	W. W. King-Briggs	Briggs Engineering Co.	Overland		895.00	895.00		(1)			
Total					35,634.05	25,100.50	1,096.25	3,468.00	14,730.55	\$130.00	
Valuation, less amount of rental paid.					1,916.25						
Total					37,550.30						



Rentals paid.....	1,096.25	.....	.....	.....	.....
Other payments.....	25,190.50	25,190.50	.....	.....	.....
Gross rentals and other payments: Total paid.....	26,286.75	26,286.75	.....	.....	.....
Amount below valuation.....	.....	.....	.....	14,780.55	.....
Amounts overpaid.....	.....	.....	.....	3,468.00	3,468.00
Less deductions for overpayments.....	11,262.55	130.00	130.00	11,262.55	.....
Total amount of rentals.....	.....	25,090.50	.....	43,338.00	.....
Total amount of other payments.....	.....	1,096.25	.....	.....	.....
Grand total.....	.....	26,156.75	26,156.75	43,338.00	.....

## AUTO TRUCKS.

U. S. A. 39127 Q. M. C. ....	Bridges Engineering Co. <sup>1</sup>	B. & D. (Inc.)	1-ton truck	243486	\$950.00	\$1,102.50	.....	\$152.50	.....	Marked "No good." No valuation is given Do Do.
.....	Do. <sup>1</sup>	do.	1-ton truck Ford	.....	600.00	600.00	.....	(1)	.....	.....
.....	M. B. Batio	.....	.....	.....	285.00	285.00	.....	.....	.....	.....
.....	L. B. Goyne	.....	1-ton truck Truck	.....	.....	400.00	.....	20.40	.....	.....
.....	J. C. Gould, superintendent	.....	.....	.....	.....	365.75	.....	.....	.....	.....
.....	R. A. Munden	.....	.....	.....	365.00	392.70	.....	27.70	.....	.....
.....	R. & D. (Inc.)	.....	.....	.....	227.50	227.50	.....	(1)	.....	.....
137 Q. M. C. ....	Commissary	.....	.....	.....	1,800.00	1,850.00	.....	50.00	.....	.....
U. S. A. 54132 Q. M. C. ....	Thomas & Harrison	.....	1 1/2-ton truck	2581	1,800.00	1,800.00	.....	(1)	.....	.....
U. S. A. 55133 Q. M. C. ....	.....	.....	.....	2531	.....	.....	.....	.....	.....	.....
Deduction for overpayment.....	.....	.....	.....	.....	5,742.50	7,023.45	20.40	230.20	152.50	.....
.....	.....	.....	.....	.....	.....	152.50	.....	152.50	.....	.....
No valuation (to amount of rental paid). Amount of rental.....	.....	.....	.....	.....	1,050.75	.....	.....	.....	.....	.....
Other payments.....	.....	.....	.....	.....	20.40	6,870.95	20.40	77.70	.....	.....
Net amount rentals and other payments.....	.....	.....	.....	.....	.....	6,891.35	20.40	.....	.....	.....

<sup>1</sup> Even.  
<sup>2</sup> Marked "Government owned."  
<sup>3</sup> Government purchase price.  
<sup>4</sup> Total amount of overpayment.

<sup>5</sup> Amount overpaid above valuation.  
<sup>6</sup> Gasoline and oil.

## Rentals of motor vehicles and machinery, Camp Lee—Continued.

## AUTO TRUCKS—Continued.

No. of car.	Owner's name.	Used by—	Name of car.	Engine No.	Valuation of car.	Rental paid.	Other payments.	Amount overpaid above value.	Amount below valuation.	Deductions for overpayment.	Remarks.
Amount overpaid, above valuation.						\$77.70		\$77.70			
Total amount rental					\$6,813.65	6,813.65					
Total other payments.					6,870.95	20.40					
Grand total.						6,891.35		77.70			

## MISCELLANEOUS MACHINERY.

7080	J. S. Archer	R. & D.	Mixer		\$550.00	\$334.00			\$16.00		Original valuation \$560.00, less amount September rental marked less \$10.
18021	Geo. J. Curley	do	Steam roller		5,000.00	2,180.00			2,820.00		September rental marked less \$10.
	do	do	Mixer		4,000.00	1,083.00			2,915.00		September rental marked less \$5.
5/125443	H. E. Ferguson	do	Gas engine		280.00	174.00			105.00		
5/131760	C. M. Henley	do	Saw table		280.00	21.75			258.25		
	do	do	Mixer		350.00	363.00		12.00			
	Harrison Construction Co.	do	do		350.00	363.00		12.00			
	do	do	Steam mixer			204.00					Valuation not given.
	do	do	Gas mixer			176.00					Do.
	Parkinson & Finn	do	Mixer, big and little.		600.00	324.00			276.00	192.00	
	do	do	do		600.00						
	do	do	"Footie" mixer or A.		3,800.00	1,023.00			208.00	192.00	
	do	do	Water wagon		5,000.00				2,780.00		
	do	do	Steam roller			1,748.00					Valuation not given
	C. V. Snyder	do	Mixer wagon		540.00	448.00		204.00			
	do	do	Water wagon		240.00	240.00		(1).			
	do	do	Mixer		340.00	248.00			47.00		

5/10044.	do.	do.	350.00	303.00	47.00
J. W. Rabby.	do.	Mixer (6 horse power).	300.00	417.00	
298-e	do.	Mixer.	350.00	420.00	
	do.	Mixer (6 horse power).	475.00	475.00	70.00
Boes 1655	do.	"Boes" mixer.	650.00	628.00	(1)
A 1649	do.	Gas engine.	125.00	73.50	122.00
A 1628	do.	do.	125.00	73.50	51.50
Deduction for overpayment.			24,085.00	11,972.75	418.00
				384.00	384.00
No valuation (to amount of rentals paid).			2,125.00		
Net amounts of rentals paid.				11,588.75	15,040.25
Amount overpaid above valuation.				419.00	419.00
Amount below valuation.					
				11,169.75	
				15,040.25	15,040.25
Total amount rentals.			26,210.00	26,210.05	
				11,588.75	
				419.00	

## CAMP LEE—RENTALS—RECAPITULATION.

	Rentals.	Other payments considered rentals.	Total payments.	Rental amounts paid above valuation.
Passenger autos	\$25,060.50	\$1,096.25	\$26,156.75	\$3,338.00
Auto trucks	6,570.95	20.40	6,591.35	77.70
Machines	11,588.75		11,588.75	419.00
Total	43,220.20	1,116.65	44,336.85	3,834.70

1 Even.

Note that for many passenger autos, trucks, and machines the full amount of valuation was paid, but no notation is made for them in the rental book showing that they are "Government owned."

*Rentals of motor vehicles and machinery, Camp Lee—Continued.*  
**AUTO TRUCKS—Continued.**

No. of car.	Owner's name.	Used by—	Name of car.	Engine No.	Valuation of car.	Rental paid.	Other payments.	Amount overpaid above valuation.	Amount below valuation.	Deductions for overpayment.	Remarks.
Amount overpaid, above valuation.						\$77.70		\$77.70			
Total amount rental					\$6,813.65	6,813.65					
Total other payments.					6,870.95	20.40					
Grand total.						6,891.35		77.70			

**MISCELLANEOUS MACHINERY.**

7060	J. S. Archer	R. & D.	Mixer		\$450.00	\$334.00			\$16.00		Original valuation \$50, crossed out. September rental marked less \$10.
19021	Geo. J. Curley	do.	Steam roller		5,000.00	2,180.00			2,820.00		September rental marked less \$5.
	do.	do.	Mixer		4,000.00	1,065.00			2,915.00		
5/12643	H. E. Ferguson	do.	Gas engine		280.00	174.00			106.00		
5/13170	C. M. Henley	do.	Saw table		280.00	21.75			258.25		
	do.	do.	Mixer		350.00	362.00			12.00		
	Harrison Construction Co.	do.	do.		350.00	362.00			12.00		
	do.	do.	Steam mixer			204.00					Valuation not given.
	do.	do.	Gas mixer			175.00					Do.
	Parkinson & Finn	do.	Mixer big and little		600.00	324.00			276.00	192.00	
	do.	do.	do.		600.00	294.00			306.00	192.00	
	do.	do.	"Foote" mixer		3,800.00	1,020.00			2,780.00		
	do.	do.	at A.								
	do.	do.	Water wagon		5,000.00	140.00			4,860.00		Valuation not given.
	do.	do.	Steam roller			1,745.00					
	C. V. Snyder	do.	Mixer		350.00	558.00			208.00		
	J. P. Reina	do.	Water wagon		200.00	200.00			(1)		
57000	H. Thompson	do.	Mixer		350.00	303.00			47.00		

A90664.	do	J. W. Raily.	do		800.00	350.00	343.00	117.00	47.00
-	do	"	do	Mixer (horse-					
299-o	do	P. J. McGuire,	do	Power).	350.00	420.00		70.00	
	do	R. & D. (Inc.)	do	Mixer (horse-	475.00	475.00		(1)	
Boss 1855	do	"	do	Mixer (horse-					122.00
A 1648	do	"	do	"Boss" mixer	650.00	528.00			61.50
A 1629	do	"	do	Gas engine..	126.00	73.50			51.50
	do	"	do	do	126.00	73.50			
Deduction for overpay- ment.					24,085.00	11,972.75		419.00	14,658.25
No valuation (to amount of rentals paid).						384.00			384.00
Net amounts of rentals paid.					2,125.00				
Amount overpaid above valuation.						11,588.75			15,040.25
						419.00		419.00	
Amount below valua- tion.									
						11,169.75			
						15,040.25			15,040.25
Total amount rentals.					26,210.00	26,210.05			
						11,588.75		419.00	

**CAMP LEE—RENTALS—RECAPITULATION.**

	Rentals.	Other payments considered rental's %.	Total payments.	Rental amounts paid above val- uation.
Passenger autos.....	\$25,060.50	\$1,096.25	\$26,156.75	\$3,338.00
Auto trucks.....	6,870.95	20.40	6,891.35	77.70
Machines.....	11,588.75	.....	11,588.75	419.00
Total.....	43,520.20	1,116.65	44,636.85	3,834.70

**Even.**

Note that for many passenger autos, trucks, and machines the full amount of valuation was paid, but no notation is made for them in the rental book showing that they are Government owned.

Mr. McKENZIE. In arriving at this result you have permitted all the reductions that he made, including some of them which were outside of the building construction.

Mr. STORCK. Yes, sir. Some of them are building construction and some are not. And that is a conservative estimate.

I herewith submit a comparison between statement of Henry E. Riggs, professor of civil engineering, E. W. Wessen, page 357 of testimony, Mr. Cassel, page 2473 of testimony:

*Camp Sherman.*

A. Bentley & Co.:

Payments to contractor exclusive of fee-----	\$7, 515, 470. 47		
Fees paid-----	232, 414. 97		
		\$7, 747, 885. 44	
Fees earned, unpaid-----		17, 585. 03	
			\$7, 765, 470. 47
Subcontractors—			
M. J. Gibbons-----	597, 217. 11		
Hatfield Electric Co-----	59, 550. 10		
		656, 767. 21	
Fees paid-----	59, 702. 39		
Fees paid-----	5, 955. 01		
		65, 657. 40	
			722, 424. 61
			8, 487, 895. 06
Government expenditures direct—			
A Bentley & Co-----		745, 828. 84	
1 St. Ed-----		83, 944. 70	
			829, 773. 54
As a comparison-----			9, 317, 668. 62
Camp Lee Frt. (testimony, Mr. Cassel). Equal 90			
per cent-----			346, 258. 03
			9, 663, 926. 65
Less deductions-----			3, 500, 497. 19
As made by A. Bentley & Co-----			6, 163, 429. 46
A. Bentley & Co. (65,218.523 cubic feet)-----			5, 067, 663. 99
			1, 095, 765. 47

Net cost, \$9.45; Bentley, \$7.77—1.68.

Mr. McKENZIE. As an accountant, have you had sufficient experience, so that you can give a general statement of the difference between the ordinary wholesale and retail prices on ordinary builders' hardware?

Mr. STORCK. Yes, sir.

Mr. McKENZIE. I would like to have you do it.

Mr. STORCK. The difference between the various groups, is this—first there is the wholesaler; second there is the jobber, and third the retailer. The difference between the profits allowed to the wholesaler and the retailer will average anywhere between 20 and 25 per cent, especially on hardware. I know of discounts running like 85-5-5-2 and 1. The reason for those different discounts are the grade that they are placing the customer in. For instance, a man is a very large wholesaler, possibly rated over \$1,000,000. He would get all the discounts off. If he is a smaller one he does not get all the dis-

counts. One of those discounts will be cut off, and the smaller he comes down the scale, the less discount he gets until he finally gets, till the retailers figure, where he gets one or two discounts off. Therefore, when you take that into consideration the difference between the wholesaler and the retailer, the profits will run from 20 to 25 per cent.

**Mr. DOREMUS.** I desire to ask you a question about the contents of this trunk that you are unable to locate. What sort of records did you have in it?

**Mr. STORCK.** I have some duplicates here, including a number of statements that I got the men, such as foremen, the manager of the mess house, chief pay-roll clerk, assistant auditors, and so on. As an illustration let me show you one or two of them.

I took a statement made by A. W. Baker, manager in charge of the mess hall, as to the condition in the mess hall. I took a statement of Mr. C. S. Kee who had charge of the commissary. I took a statement from Mr. J. J. Tallman, chief pay-roll clerk.

**Mr. DOREMUS.** What does that statement show, if you can give it to us very briefly?

**Mr. STORCK.** I took him from the start when I came on there and worked on the first pay roll, where they did not have the record properly made out. There was some question that the men did not get their money and would not work. And Messrs. Rinehart and Dennis, through P. H. Faulconer, Mr. Tallman, Maj. Coe, checked up with Mr. W. P. Hilton, division auditor, and Mr. Tallman was instructed to pay the men's wages on their say so, irrespective of whether they had time cards or any other records.

This man Tallman afterwards wanted to get relieved from this pay-roll situation and a man by the name of Selbridge, who was a bookkeeper and was rated on the pay rolls as a pipe layer at 67½ cents an hour—when I taxed him with that, he said he knew it was not right because he was down there under that classification, but that he wanted to get all the money he could. I called his attention to the pay roll, on which there were certain ones, for instance, there was a fellow down there who was a janitor, who was down as an assistant pipe layer at 67½ cents an hour; and so on. In order to pay him proper compensation as he thought, he could not get it as a janitor. He could not get it as a pay-roll clerk, so they put him down as a pipe layer. It was a case of misclassification.

I took a statement from Mr. R. T. Jones, pay-roll clerk, as to the condition of the pay rolls.

**Mr. DOREMUS.** Then, as I understand it, Mr. Storck, the records which were in the trunk consisted of evidence which you accumulated down there pursuant to your instructions from the War Department?

**Mr. STORCK.** Yes, sir; in addition, it holds probably 500 sheets, all over 7 feet long, showing these distributions. For instance, here is one—a blank [indicating] showing how it was to be distributed, and what it was to be charged to. I audited that at the discretion of the War Department.

**Mr. DOREMUS.** That is a blank sheet?

**Mr. STORCK.** That is the only one that I have, sir. But I have five filled out

Mr. DOREMUS. What did you enter on those sheets?

Mr. STORCK. I will explain it if you will permit me: These are material vouchers for material only. In the first column we have the purchaser, from whom the articles are purchased. Then we have the order number, date of invoice, original voucher number, amount of original voucher, subvoucher number, amount of invoice which takes care of local and outside, then we follow with less discount, and then we follow memorandum of freight. The next classification is lumber, under which we make note of the quantity, price, the quality as per tally, and then discrepancies, whether over or short. Then follows nails, of which we take account of the quantity, price, quantity as per tally, and discrepancies, whether over or short. Then follows hardware, and we take care of the quantity, price, quantity as per tally, and the discrepancies, whether over or short. Then we follow miscellaneous items and we give the quantity, the price, the quantity as per tally, and the discrepancy, as to whether over or short. We conclude by the name of the party who inspects the material and the quantity number tally sheet.

We also use a second sheet for material only, material vouchers, which takes care of appropriations and "remarks." Under the heading "Appropriations" we take care and designate the barracks and quarters; then we take care of the supplies, services, and transportation; we consider the roads, walks, wharves, and drainage; and construction and repair of hospitals; then shooting galleries and ranges, then another subhead, "Not classified as to appropriation." We conclude this by another heading "Remarks."

Mr. MCKENZIE. Now, let me ask you in this connection, with regard to these sheets, that are in the trunk, or were in the trunk, containing a lot of vouchers that were paid at Camp Lee; is that correct?

Mr. STORCK. Yes, sir.

Mr. DOREMUS. Now, where are the vouchers themselves?

Mr. STORCK. I believe they are in the War Department, in the Auditor's Department. I believe the duplicates are all down at Baltimore. This is a voucher record [indicating].

Mr. DOREMUS. What was the purpose of that voucher record?

Mr. STORCK. The purpose of that record was to show whether or not the Government was getting the right quantity of material; whether they had been paying the right price; who requested the material; whether discounts were made on the bill; and so on.

Mr. DOREMUS. I suppose, Mr. Storck, the vouchers themselves would be the best evidence of that.

Mr. STORCK. The vouchers themselves, I say, sir.

Mr. DOREMUS. As they stand now?

Mr. STORCK. I do not know how they stand now, as to that.

Mr. DOREMUS. I do not know how they stand, but no matter how, the original vouchers will be the best evidence.

Mr. STORCK. Yes, sir; you are correct in that.

Mr. DOREMUS. The purpose of my question was to get a general idea of the records contained in the trunk.

Mr. STORCK. I might state that while we prepared about 500 of these sheets, with 75 items on a sheet, that we found many and many discrepancies. It had not been taken care of. For instance, we will



say that where there was a record for 575,000 feet of lumber bought on an invoice, when we would get the inspector's tally sheets it would probably check up 475,000 feet.

Mr. CHANTLAND. How much was paid for?

Mr. STORCK. Five hundred and seventy-five thousand feet.

Mr. MCKENZIE. The committee will now stand adjourned until 10 o'clock a. m. Friday.

(Thereupon, at 6.15 o'clock p. m., the committee adjourned to meet at 10 o'clock a. m. Friday, January 16, 1920.)



SUBCOMMITTEE No. 2 (CAMPS)  
OF THE SELECT COMMITTEE ON  
EXPENDITURES IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
*Washington, D. C., Thursday, January 15, 1920.*

The subcommittee met at 2 o'clock p. m., on call of the chairman,  
Hon. John C. McKenzie.

Also present: Hon. Frank E. Doremus.

**TESTIMONY OF COL. WARD DABNEY, UNITED STATES ARMY,  
SAN ANTONIO, TEX.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. Please give your name in full to the reporter.

Col. DABNEY. Ward Dabney.

Mr. McKENZIE. Where is your home?

Col. DABNEY. I am in the Regular Army and have been in it for over 21 years. My original home was Bonham, Tex., before I joined the Army.

Mr. McKENZIE. What branch of the service have you been in?

Col. DABNEY. My permanent branch is the Infantry, but I have been detailed to the Quartermaster Corps since October, 1914.

Mr. McKENZIE. How did you come to be summoned here? Did we call for you, or were you called here by the Construction Division? I was not aware of the fact that you had been summoned.

Col. DABNEY. I came here as the result of a telegram from The Adjutant General of the Army to the commanding general of Camp Travis, Tex., who was directed to direct me to proceed here to appear here as a witness on an investigation by Subcommittee No. 2, general congressional committee on war expenditures, to be held January 13.

Mr. McKENZIE. Would you care to have the entire telegram from which you are reading put into the record?

Col. DABNEY. No, sir.

Mr. CHANTLAND. I would suggest that Col. Couper, of the Construction Division, who is present, might explain this matter more fully than Col. Dabney can.

Mr. McKENZIE. I will be glad to have Col. Couper do so.

Lieut. Col. COUPER. A telegram was received from Mr. James Bentley stating that he would testify before this committee and requesting that Col. Dabney be asked to appear here and bear out some of the parts of his testimony. On Friday, January 9, Mr. Bentley wired that the hearing was postponed and to notify Col. Dabney. This was done, but too late to prevent his trip.

Mr. McKENZIE. The point I wanted to bring out to Col. Dabney was that as chairman of this committee I had not asked that he be brought from his camp; in fact, did not know he was here. Col. Dabney, you were assigned to Camp Sherman, I believe, during the construction work at that camp,

Col. DABNEY. Yes, sir.

Mr. McKENZIE. What were your duties there or the duties connected with your service there?

Col. DABNEY. The original order that I received was to report in Washington to the Chief of the Cantonment Construction Division. I reported in Washington about July 2, 1917. I was told by Col. Littell to remain in Washington, around his office, until I was satisfied that I had grasped the situation. On July 5 I informed him that I felt I had gotten the atmosphere and was ready to go out and take over the work at Chillicothe, whereupon this order was issued:

You are hereby directed to proceed from this city—

Which meant Washington—

to Chillicothe, Ohio, and to take station at that place for duty as constructing quartermaster in charge of construction work at that place, under the direction of this office.

At that time the camp had not been named.

Mr. McKENZIE. What were your duties there?

Col. DABNEY. My duties were to take charge of all construction activities. I was in complete control.

Mr. McKENZIE. What did you really do? Did you handle the public end of it, and, if so, who assisted you in looking after the construction work?

Col. DABNEY. I represented the Government, certain assistants having been furnished me—experts on various lines of construction. My own particular functions were more of an executive nature, to protect the Government interests.

Mr. McKENZIE. Who really had charge as constructing quartermaster at that time, or was in charge?

Col. DABNEY. Well, I was the constructing quartermaster, but Capt. Rhoades, who was an engineer, was given that particular branch of the work and placed in charge of the actual construction of the camp.

Mr. McKENZIE. Placed in that position by you?

Col. DABNEY. Yes, sir; by me.

Mr. McKENZIE. That is the same Capt. Rhoades who testified before our committee while we were out at Columbus?

Col. DABNEY. Yes, sir.

Mr. McKENZIE. What further organization did you set up?

Col. DABNEY. I must refer to a letter which I wrote to Col. Littell on July 13, I having arrived at Chillicothe on July 6, 1917, had gone over the ground and sized up the situation and found out what assistance I had, whereupon I wrote this letter to Col. Littell, this being a quotation from it.

"I have just about completed the organization of the forces under my control, and believe everything is running smoothly. All sanitary questions are in the hands of Dr. Kenard. Mr. Rusk handles the office, timekeepers and accounts; Capt. Rhoades all engineering features; Capt. Connelly (Ohio National Guard) has the care of

fire protection details; Capt. Coleman the drafting room, material inspection, collection of data for progress reports and supervision of tally keepers; Capt. Fuchs is intelligence officer and has charge of the filing and indexing system and provides for the troops; Mr. Pratt (in his absence Mr. McDowell) handles all details connected with water, sewers, and roads.

Mr. MCKENZIE. Those men were all commissioned officers in the Army at that time?

Col. DABNEY. All except Mr. Rusk, Mr. Pratt, and Mr. McDowell.

Mr. MCKENZIE. Then after you had assigned these various officers and men who were not officers to certain work, you looked to those men to take care of the work assigned to each of them?

Col. DABNEY. Yes, sir; under my general supervision and inspection.

Mr. MCKENZIE. And they were supposed to report to you?

Col. DABNEY. Yes, sir.

Mr. MCKENZIE. For further instructions, if instructions were necessary?

Col. DABNEY. Yes, sir; and to bring all questions to me that they considered necessary for my decision.

Mr. MCKENZIE. What did you have to do, if anything, with the wage scale out there?

Col. DABNEY. As to the original wage scales I do not remember just how they were established. You understand, gentlemen, that this happened some two years and a half ago——

Mr. MCKENZIE (interposing). Yes; we appreciate that.

Col. DABNEY. And I have had several important details since that time. I have no memorandum here to refresh my memory on that question; but all scales and changes of scales, whether for wages or hire, were O. K'd before they were put into execution.

Mr. MCKENZIE. That was the general scale of wages?

Col. DABNEY. Yes.

Mr. MCKENZIE. Do you know anything about the classification of work, whether men were classified in grades at times higher than they should have been? For instance, was a helper classified or rated as a mechanic? Do you know anything about that?

Col. DABNEY. I am not sure that I understand just what is desired on that. I know this: That there were men employed under certain ratings who were not experts in that particular trade.

Mr. MCKENZIE. What I am trying to get at is this: For instance, did you have any class of workmen known as carpenter helpers or assistants?

Col. DABNEY. I do not believe we had any grade of carpenter helpers.

Mr. MCKENZIE. They were either mechanics or laborers?

Col. DABNEY. We had some helpers. There were some men rated as helpers, though I do not recall in what branches they were.

Mr. MCKENZIE. That was probably in plumbing work.

Col. DABNEY. I find here in my completion report that there were men graded as carpenter helpers, plumber helpers, steam-fitter helpers, sawmill helpers, as well as laborers of various kinds, at different ratings. Such as sewer laborers, bottom; sewer laborers, top, etc.

Mr. McKENZIE. Have you the scale of pay of carpenters?

Col. DABNEY. Yes, sir.

Mr. McKENZIE. And showing the different wages as they went up?

Col. DABNEY. Yes, sir; and it shows the changes in scales and dates upon which changes took place.

Mr. McKENZIE. I wish you would put that in, and if it shows the pay of carpenter helpers give that?

Col. DABNEY. I will just give it to you from this completion report:

	Per hour.
Carpenter helpers-----	\$0. 40
Carpenters -----	. 60

The first change I note is in the change of electricians, ground men, whose initial rate was 30 cents per hour, but October 14, 1917, it was raised to 40 cents per hour.

Another change is labor, common. The initial rate was 30 cents per hour, but on October 19, 1917, it became 40 cents per hour.

As to plumbers, the initial rate was 62½ cents per hour, but was changed to 70 cents per hour August 30, 1917. That change was not made by anyone at Camp Sherman, but was due to a controversy between the plumbers and myself as to the wage scale. It involved a strike, a walk out on their part, and a walk back two days later at the same rate of wages I had established, but an appeal was taken by them to the National Adjustment Commission, consisting of Mr. Gompers, Mr. Walter Lippman, and Gen. Garlington, who authorized an increase to 70 cents per hour, their demand having been for 75 cents per hour.

I note another change of scale for steam fitters. Their initial rate was 62½ cents per hour, and their subsequent rate was 70 cents an hour, effective October 30, 1917. That division of the Adjustment Commission covered steam fitters and plumbers.

Mr. DOREMUS. Were steam fitters on a strike at that time also?

Col. DABNEY. Yes, sir; they all struck together. Some 575 of them walked out, I believe.

Mr. McKENZIE. Then, the first raise of pay came in October, 1917?

Col. DABNEY. No; on August 30, 1917. That was as to plumber and steam fitters.

Mr. McKENZIE. What was your experience at Camp Sherman with steam fitters and plumbers?

Col. DABNEY. It was very trying. Their grievance committee waited on me and demanded an increase, giving their reasons. I think probably I can shorten this somewhat by reading from a letter which I wrote to Gen. Littell.

Mr. McKENZIE. Well, that is not important. What I want to get at is the character of the work done on that job; did they loaf on the job—soldier on you?

Col. DABNEY. Oh, yes; they did. We tried in every conceivable way we could to force those people to work and give an honest return for what we paid them. We even met their grievance committee, the men we thought had their confidence; the plumbing contractor was on this thing, too; and we fired men there day after day and got new ones in. They were really one of the discordant elements at Camp Sherman, were the plumbers and steam fitters.

**Mr. McKENZIE.** You almost feel safe in saying that you would corroborate any damaging testimony that has been given in connection with the work of the plumbers and steam fitters?

**Col. DABNEY.** Well, I would not want to make as broad a statement as that, Mr. McKenzie. But I, perhaps, know more about these plumbers than anybody else. I went to the ground and talked with individual plumbers, and, as I stated to Gen. Littell, I do not believe the individual plumber was so much at fault, because a great many of them told me they were satisfied with the job if a certain change would be made—something about the messing, or bunk arrangements, or some detail which was very easily corrected. But there was some agitation amongst them.

**Mr. McKENZIE.** What can you tell us about waste out at that camp, and about the dumps?

**Col. DABNEY.** There was waste, but, in my opinion, it was unavoidable waste. That matter was considered very carefully by all of us; and I want to say that the closest possible harmony was maintained between the contractor's forces and my own forces. We discussed the subject of waste materials of all kinds, and particularly of lumber, and we finally decided—and I put my O. K. on it—that the fire department and the men under the control of the fire chief would gather up all loose materials, all inflammable articles that lay about buildings, and cart them off, and throw the worthless stuff into the burning pit, like shavings and paper and scraps of various kind, and burn them up. But the stuff that had some real value was to be placed at other points. And there it would be allowed to remain until it could be used.

We considered the matter of sorting the lumber, but we decided that, in order to put a competent man on those lumber piles to sort it out would mean a greater expense than the value of the material itself. So we decided to leave it there.

I wish now to exhibit before you a photograph. This gives you a picture which shows something that we did with that so-called waste. This photograph was taken on September 17, 1917, and is known as one of our weekly progress photographs. You may see here what was by far the largest pile of waste lumber, being a long pile of lumber in the center of the picture along the roadway. I do not know how much lumber was in that pile; I can estimate it only from memory; but I should say that that pile might contain 75,000 feet, and it might contain 200,000 feet, and, possibly, even more than that. There is a wagon to be seen there, which gives somewhat of a scale to go by. The wagon is about 9 feet in length, and the team about 9 feet more, giving a total of 18 feet. It is about 5 feet high. I notice that someone has testified that this pile of lumber was 30 feet high. This committee can see for itself that that was an exaggeration.

Incidentally, these houses here, shown near the pile of lumber referred to, were constructed of this waste material. We put power saws in there, with carpenters, and built those houses on the spot. In all there were 120 boiler houses constructed, of three different sizes, which were built right there and then put on skids and pulled over to the point where they were to be set up and placed over the unit heating plants, for the officers' quarters, and so on.

This other map of Camp Sherman gives the dimensions. In addition to these there were 30 hose houses, which were placed at different parts of the camp, convenient for the troops to handle in case of fire in their vicinity.

Mr. MCKENZIE. They were to house the two-wheel hose carts?

Col. DABNEY. Yes, sir.

Mr. DOREMUS. Were those also made out of the lumber taken from those piles?

Col. DABNEY. Yes, sir; made right there on the ground from those piles.

Another thing about this waste: When Gen. Glenn and his division arrived there I informed him that we had a vast quantity of short length boards, and told him where the piles were, and that his troops were at liberty to use those for any construction work they saw fit to use the material for, such as making sidewalks, floors for their bath houses, benches, lockers, shelves, and anything else that might be for their convenience and comfort in the barracks. I told him there would be no restrictions other than those he cared to place upon the use of this lumber.

Another and considerably smaller pile of lumber is shown at another point on the map, being on the left of the map and near another road. In addition there was one in the rear of Section O, a smaller pile of lumber, perhaps 50 feet in diameter at the base, and 12 feet high. Another one was located in the rear, I believe, of Section U. Those piles were so located because they involved a shorter haul and consequently less expense.

There will be noted along at the center of the picture a slight haze in the photograph. That is smoke from the pit where the rubbish was burned—shavings, sawdust, waste paper, and various materials of no value.

However, these waste materials were gathered up by the wagons under the control of the fire chief; and the laborers who worked on those wagons were the ordinary men who applied for jobs, and very frequently in picking up waste material they picked up some good material, and some of that good material got into that pile. It was impossible to prevent it without having someone to go about and watch the men, which would have been an additional expense. It was all carefully thought out—what would be the most economical way to dispose of this waste and bring about the required fire protection. We knew that some stuff was being destroyed that should not be destroyed, but we could not have prevented it other than by going to the greater expense of hiring men to watch them, an expense greater than the value of the material itself.

Another matter of waste was in the disposal of manure—

Mr. DOREMUS (interposing). Before you leave the lumber piles let me ask: We have taken quite a lot of testimony to the effect that the burning of good lumber was indulged in regularly at Camp Sherman: that is, that it would be taken from the different buildings and thrown on to what they called the scrap heap, and some witnesses referred to it as the scrap pile, and that there it was burned. Some of us gathered the impression that the refuse and good lumber all went into one pile and was burned. Some witnesses have testified that the burning of good lumber was really a serious matter; that is, that it



was indulged in on a very large scale. I want to find out from you whether you kept what you call the pit for the burning of refuse separate from the piles of short-length lumber?

Col. DABNEY. Yes, sir; entirely separate and for different purposes entirely. What we called the pit, what I just pointed out, was in the old canal bend; that is where we were to destroy stuff that would be a fire menace and of no value. But the piles of short ends, and frequently perfectly long boards, good boards, would be picked up, that were lying around completed buildings, and put in that scrap pile. That would be due to the kind of men we had picking this stuff up; they would not differentiate between one nature of board, a 1-foot board and a 10-foot board. That is what I referred to when I said we considered the matter of employing men to sort this material, but, on account of the expense, we decided not to do it.

Mr. DOREMUS. You have pointed out on the map piles of short-length lumber. Were there any fires at those particular piles?

Col. DABNEY. No; absolutely not.

Mr. DOREMUS. That is what I wanted to get clear in my mind.

Col. DABNEY. In order to be absolutely correct on this I might say that in cold weather there were certain small fires maintained for the purpose of permitting the workmen to warm themselves, but for the purpose of destruction that is absolutely nonexistent about those piles of short-length lumber.

Mr. DOREMUS. Whatever good lumber was destroyed was lumber that was picked up by these men? That is, whatever lumber that was at all serviceable that was destroyed was through the incompetence of your fire squad, did you call it?

Col. DABNEY. Yes, sir.

Mr. DOREMUS. By getting mixed in with the rubbish?

Col. DABNEY. Yes; and which we were unable to prevent without having competent men there to watch the incompetent ones and make them drop a board and pick up a stick. That is what it amounted to.

Mr. MCKENZIE. When did you leave Camp Sherman?

Col. DABNEY. I actually left Camp Sherman about December 16, 1917.

Mr. MCKENZIE. You left, then, prior to the taking over of certain works there by the firm of D. W. McGrath & Son?

Col. DABNEY. I presume so. I did not know anything about Mr. McGrath. I was not acquainted with him; never heard of him until I saw his name in the testimony.

Mr. MCKENZIE. I see a notation here in regard to excess fees received by Mr. Bentley for some of his people in regard to auto hire and commissary. Will you tell us about that and how it was settled?

Col. DABNEY. Yes. In talking the matter over with Col. Chantland this morning I said that was in addition to his fee. I will have to withdraw that, because I am not sure about that, Col. Chantland.

Mr. MCKENZIE. Will you state the facts about that?

Col. DABNEY. It is a matter covering his voucher and reimbursement made for those expenditures. My recollection of it is that the expenditures for the commissary ran considerably beyond the

receipts. If my memory serves me right it was something like \$30,000, but I do not recall the date. The figure sticks in my head for some reason.

Mr. CHANTLAND. It was a good deal more than that, Colonel.

Mr. McKENZIE. At least that would be a conservative figure, wouldn't it?

Col. DABNEY. This matter was brought to me—

Mr. DOREMUS (interposing). Did not Capt. Reece testify that a voucher had been put through for something like \$100,000 for loss in the commissary? I do not know whether it was the same thing or not.

Col. DABNEY. This amount I have in mind may have been for a particular and not for the total period of construction. However, it was brought to me and the matter discussed, and whether I made payment on my own responsibility or not I do not remember, or whether I put it up to the Construction Division. It was one way or the other. I know that I was in favor of reimbursing Mr. Bentley for this loss, and the reason for that was that we figured if we raised the cost of meals beyond 30 cents it would involve a raise in wages to the employees, which would have amounted to more than the shortage. So we decided to pass the thing that way, and that the best thing to do was to cover the shortage. When or how it was covered, I do not remember at this time. I do not know that I ever knew how it was covered, but I know that was my attitude toward it. I favored covering that shortage and reimbursing Mr. Bentley for it, for the reason that I have stated.

Mr. McKENZIE. I wish you would explain how that whole transaction was carried on by the contractor in feeding those men and where the responsibility of the Government came in? What was the relation between the contractor, the employee, and the Government? What I want to get at is: Was there any responsibility resting on the contractor to see to it that the men he fed paid for their board, or to have it deducted from their wages, in order to protect the Government?

Col. DABNEY. Yes.

Mr. McKENZIE. How could such a thing happen, that the Government would have to put up \$100,000, which I understand from Mr. Chantland was the amount, to pay for this loss at the commissary?

Col. DABNEY. The commissary was operated by the contractor in connection with those mess halls. He fed the men, and I believe the charge was 30 cents a meal. It was the estimate made to cover the actual cost of the messing arrangements, but owing to the necessity of importing everything from a distance to feed those people, he underestimated the cost of the food. It should have been placed at a higher rate than 30 cents originally. If it could have been foreseen that it was going to cost more than 30 cents a meal, it would have been placed higher.

Mr. McKENZIE. Who fixed that estimate?

Col. DABNEY. Well, I do not believe that I know.

Mr. McKENZIE. Who was responsible for fixing that estimate? You were not, of course, and you did not fix it?

Col. DABNEY. No; I did not fix it. My impression is that the contractor fixed it, but it was one of those matters which had to be ap-

proved by me—unless it had been put into execution before my arrival. In that case it would have been approved by Capt. Rhoades, because he was the man in charge up to the time of my arrival. All those things had to be approved by the constructing quartermaster before they became operative.

Mr. McKENZIE. Let us get at this a little more fully, so that we may more clearly understand it. The so-called contract between the Government and the contractor had some provisions in it, I believe, in relation to this matter, which provided that if the contractor made a profit over and above actual cost of feeding the men he should turn it back to the Government; on the theory, I presume that his fee being fixed in the contract he would not be permitted to make any money on the side at the expense of his men. But there isn't anything in the contract, as I understand it, that provides that the Government must assume the losses. Now, what I want to get at is this: Was there any incentive or any responsibility resting on the contractor to see to it that he did not run behind on this matter and then ask the Government to foot the bills? That is the point I am getting at.

Col. DABNEY. I am afraid, Mr. McKenzie, I can not throw any light on that situation. I do not recall the details of the matter at all further than I have stated—that I remember that that discrepancy came to me to make a decision on, or a recommendation on, and I recall very distinctly that my position was that we should cover that shortage for the reason given. If we had not covered it, and the contractor had charged men more for their meals, it would have involved a corresponding increase in wages.

Mr. McKENZIE. The only reason I am asking these questions is to get something in the record that will, in a way at least, give us an idea of the situation.

Col. DABNEY. I would be glad to give you any information on that if I had it.

Mr. McKENZIE. It does not look like it was a very carefully thought out arrangement for the Government. If the contractor was to get his fee, to have it fixed, and then put nobody in charge of the commissary to take proper care of it; or if he might put anybody in charge of the commissary who might be fit to run it even, but who probably might put some money down in his pocket unknown to the contractor, and then when the contractor came to figure up and make settlement, if he found a great deficit he would ask the Government to foot it, it is certainly an important matter. It seems to me there must have been a weak spot in the arrangements that would allow a thing of that kind to happen. Whether that is the fault of the Government or of the contractor I am not prepared now to say. We can get the details, probably, from some other officer.

Col. DABNEY. Yes; I think you can. In my opinion it is one of those details that had not been fully worked out beforehand. There are a great many that were not. We were not ready for a work of such magnitude, with every detail mapped out.

About my particular functions over there, there is one thing I did not mention. In addition to my written orders, of course, I received a good deal of advice and some verbal instructions. In

one of the conversations between Maj. Whitson, who was one of Gen. Littell's engineers in his office, and myself, this point was impressed upon me—I am quoting Maj. Whitson now: "If you finish Camp Sherman absolutely by the 15th of September, 1917, it would not necessarily be a successful operation; but if you are ready to receive those soldiers when they get there on the 1st of September, why we will consider that you have carried out your mission."

Mr. McKENZIE. That is, the first increment?

Col. DABNEY. Yes, sir.

Mr. McKENZIE. What about auto hire at Camp Sherman?

Col. DABNEY. The scale for auto hire was fixed by the Construction Division in Washington at \$5 per day. It developed very early in the program that it was going to be necessary to keep some of those automobiles more than 10 hours a day. So Mr. Bentley, through his transportation man—and just whom, I do not recall whether Tragellis or someone else, and he had another man whose particular function was to handle those passenger cars—began paying some of those men whose cars he used more than 10 hours a day, overtime at the rate of 50 cents per hour. He brought the matter up to me, and asked me to fix that rate of 50 cents per hour instead of \$5 a day, so that he could cover the overtime. I took the matter up with the Construction Division here. I did not feel competent to make the change in that scale, because it had been fixed by the Construction Division, so I referred it to Gen. Littell and they overruled it; said they could not see their way clear to authorize overtime for automobiles. But, as I recall it, that claim for reimbursement was later on made by Mr. Bentley, through me, and was recommended by me, and finally granted by the Construction Division, amounting to something like, as I recall, \$8,000.

Mr. CHANTLAND. For your benefit I will say that the correspondence relative to that matter is already in the record, and that correspondence, together with your statement, makes it complete.

Mr. DOREMUS. That is, the voucher for overtime on automobiles?

Mr. CHANTLAND. Yes, sir. When your barns were erected there at first you put your fire apparatus in them?

Col. DABNEY. No; we did not erect those barns. We took land that was occupied as farms, and the barns were already standing. We moved into the barns that were most convenient to put our fire engines in, and we remodeled them to some extent in order to put our fire engines in them.

Mr. CHANTLAND. What was comprehended in the way of buildings in a regimental layout, as of July 1, 1917, just broadly speaking?

Col. DABNEY. That term "layout" is a term used by builders, and I am not a builder. I have my own idea as to what a layout is.

Mr. CHANTLAND. What buildings does that include?

Col. DABNEY. Provision for buildings to house a regiment, including officers' quarters, stables, lavatory, etc.

Mr. CHANTLAND. Including the men's barracks?

Col. DABNEY. Yes, sir; and roads. It does not mean a detail plan of buildings, but a layout of ground, as I understand.

There is one other thing in regard to this waste which I have noticed in reading over the testimony given by other people, and

that is in regard to hardware. One of the things that I always attempted to take care of there, and that I always attempt to take care of on any job I have, whether in building operations or anywhere else, is to prevent waste; to gather up and salvage all materials that may be of any value to the Government. I followed that plan at Camp Sherman. I had previously had occasion, at Columbus, N. Mex., where I was supply officer to the punitive expedition into Mexico, to gather up all stuff at that place, and through me we restored over \$200,000 worth of property that did not appear on paper anywhere. I followed the same plan here, and had crews picking up articles of value—whether parts of kegs of nails, pieces of plumbing accessories, water pipe, wood-stave pipe, sewer pipe, and everything that had any value. I saw to it that crews went about the camp picking these things up and restoring them to points where they would be put in service.

When I was about to turn over the camp to the commanding general—which I did, and have his receipt for the entire camp—I had a crew to go over the entire cantonment and pick up everything of value and turn it over to the camp quartermaster who was to succeed me in putting the finishing touches on the job; to turn this material in to him for future use. Also my property officer transferred all property he had in his possession or on his papers to the camp quartermaster and invoiced it to him. He has a record of that material. I do not know how much it amounted to, but the amount he turned over I estimate will run up to between \$50,000 and \$100,000 worth of material.

Mr. McKENZIE. Was this at Camp Sherman?

Col. DABNEY. Yes, sir.

Mr. McKENZIE. Isn't it a fact that one of the incidents that naturally follows in the wake of the character of contract under which these cantonments were built that responsibility for the protection of property does not rest upon the contractor, but on you as the representative of the Government, and that you have to take your men and go out and gather up and pick up everything in order to save it; isn't that one of the things that naturally flows from that form of contract?

Col. DABNEY. It flows on anything, whether a strictly Government proposition or not. I picked up and restored to Government control over \$200,000 worth of property handled by the punitive expedition to Mexico, parts of trucks, automobiles, and every conceivable thing in the way of hardware; I picked all that up down there, took it out of my upkeep voucher, and turned it back to Government control.

Mr. McKENZIE. That was a field operation of the Army?

Col. DABNEY. That is what it was at Chillicothe. That is the reason why I got no commutation of quarters, because the Comptroller of the Treasury said I was in the field. I had commutation of quarters while at Columbus, but could not get it out there.

Mr. McKENZIE. You must be a single man?

Col. DABNEY. No; I am a married man with one child.

Mr. McKENZIE. It was prior to the enactment of the law giving commutation of quarters?

Col. DABNEY. That was in 1917.

Mr. McKENZIE. When this camp was finally built and the troops finally housed there, the units of troops were such that they had to

divide the buildings for the different units and had various places occupied there; isn't that true?

Col. DABNEY. I will try to reply to your question in this way: It happened that when we got instructions to change the layouts and units, as the result of the change in the organization of divisions, we found it more economical to remodel some of our buildings already constructed—some barrack buildings—and to continue a second floor over the one-story barrack buildings, which was the typical plan, so as to make those dormitories exclusively. We found by doing that, and by dividing certain of those buildings with partitions and separate stairways, we could house a regiment adequately, although parts of two different regiments occupied one building.

Mr. McKENZIE. So that different units, companies, battalions, and regiments, at times for this reason did occupy parts of one and the same building?

Col. DABNEY. Yes, sir; and it was an economical measure on our part.

Mr. McKENZIE. And that was true everywhere?

Col. DABNEY. I do not know as to other places.

Lieut. Col. COUPER. That happened everywhere.

Col. DABNEY. If I may have the privilege of answering one other feature that may have been overlooked, I will say, as to the matter of inspection of material, that Capt. Coleman was the man in charge of that work.

Mr. McKENZIE. Have you anything further to say?

Col. DABNEY. I believe not.

Mr. McKENZIE. All right. We thank you for your attendance here.

(And at 4.15 o'clock p. m. the committee adjourned, to meet at 10 o'clock a. m. on Friday, January 16, 1920, as per adjournment taken on yesterday.)

SUBCOMMITTEE No. 2 (CAMPS) .  
OF THE SELECT COMMITTEE ON  
EXPENDITURES IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
*Washington, D. C., Friday, January 16, 1920.*

The subcommittee met, pursuant to adjournment, at 10 o'clock a. m., Hon. John C. McKenzie presiding.

Present also: Hon. Frank E. Doremus, member of subcommittee, and William T. Chantland, Esq., counsel to subcommittee.

**TESTIMONY OF CAPT. JOSEPH N. PARROTT, QUARTERMASTER  
CORPS.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. How long have you been in the Army, Captain?

Capt. PARROTT. Since May 17, 1918.

Mr. McKENZIE. Where was your home prior to your entry into the service?

Capt. PARROTT. I was stationed at the Panama Canal, at Panama, Canal Zone.

Mr. McKENZIE. And what were you doing there?

Capt. PARROTT. Just prior to entering the service I was doing industrial work with the Panama Canal.

Mr. McKENZIE. And your home is where?

Capt. PARROTT. Worcester, Mass.

Mr. McKENZIE. Captain, we brought you here to give us some information, if you can, with regard to the proportion of the cost of the shelter buildings at a camp, for men and animals, including the utilities, to the cost of the camp.

Capt. PARROTT. You mean for the average cantonment?

Mr. McKENZIE. Yes; the average cantonment; they all run about the same. What is the proportionate cost of shelter buildings for men, including line and field officers, and animals, as distinguished from the administrative buildings for brigades and larger units, and special buildings such as theaters, community houses, hospitals, and storage buildings, and the outside utilities?

Capt. PARROTT. Of course, it is understood that I had nothing to do with the construction work on that. Roughly I should say about 50 per cent.

Mr. McKENZIE. Now, what do you know about the wage scale, Captain, at these various camps and cantonments?

Capt. PARROTT. From the latter part of 1918 to the present date, I have had charge of the industrial service for the construction division in promulgating the wage scale, and have taken over the

records of the wage scales, promulgated for the various camps and cantonments, and other projects.

Mr. McKENZIE. Have you a schedule showing the changes in the wage scale?

Capt. PARROTT. Not with me. I have not with me any statement showing the changes as per dates.

Mr. McKENZIE. Could you furnish such a scale as that to the committee?

Capt. PARROTT. I could; yes, sir.

Mr. McKENZIE. Will you do it?

Capt. PARROTT. I will.

Mr. McKENZIE. Have you a partial statement of it?

Capt. PARROTT. I have a partial statement with me showing the rates—

Mr. McKENZIE. You say you have that. We would like to have that put in the record.

Capt. PARROTT. This schedule simply shows the rates for the different cantonments for 1917, and again as of November 11, 1918.

Mr. DOREMUS. This purports to be a statement showing the rates of wages paid at various camps?

Capt. PARROTT. Yes, sir.

Mr. McKENZIE. What does this chart show, really?

Capt. PARROTT. It shows the rates paid the various building trades at the camps in 1917, at the commencement of construction, and right alongside of it is shown the rate paid on November 11, 1918.

Mr. McKENZIE. It gives the initial rate and then the final rate?

Capt. PARROTT. Yes; the final rate paid as of November 11, 1918.

Mr. DOREMUS. Captain, from what records is this table made up?

Capt. PARROTT. This is copied from wage schedules on file in our office.

(The schedule submitted by the witness is here printed in full, as follows:)



# CAMPS.

2779

	Camp Havens, 1917-18.	Camp Dix, 1917-18.	Camp Upton, 1917-18.	Camp Meade, 1917-18.	Camp Lee, 1917-18.	Camp Jackson, 1917-18.	Camp Gordon, 1917-18.	Camp Pike, 1917-18.
Labor, common.....	\$0.37½-50.43½	\$0.35-50.40	\$0.37½-50.40	\$0.30-50.45	\$0.25-50.40	\$0.17½-50.30	\$0.30-50.30	\$0.25-50.40
Labor, foremen.....	75-65	135.00-25.70	60-60	50-60	50-55	60-60	65-65	65-65
Carpenter.....	65-70	60-80	62½-68½	62½-70	57-75	40-55	50-60	60-70
Carpenter, foremen.....	81½-80	142.00-80	68½-75	67½-80	75-85	50-65	70-75	70-80
Carpenter, helper.....	37½-37½	72½-72½	37½-40½	40-40	45-40	25-30	30-40	60-60
Blacksmith.....	50-65	75-80	68½-75	62½-60	57½-75	25-30	62½-62½	60-60
Blacksmith, helper.....	37½-50	75-80	62½-42½	40-45	45-60	30-30	35-35	35-35
Bricklayer.....	75-80	75-80	75-81½	75-87½	75-87½	65-70	75-75	87½-87½
Bricklayer, helper.....	50-37½	65-65	40½-40½	40-43½	45-45	30-30	45-45	35-35
Cement finisher.....	70-75	65-65	70-70	62½-75	65-65	70-60	65-65	75-75
Electricians.....	70-81½	35-35	40½-40½	35-35	45-45	30-30	50-50	35-35
Electricians, helpers.....	70-81½	70-70	65-75	62½-75	60-75	50-70	75-75	55-75
Electricians, linemen.....	62½-62½	40-40	37½-37½	30-45	45-40	25-30	35-35	35-35
Engineer.....	62½-62½	65-65	65-65	62½-75	60-75	62½-62½	50-65	50-60
Stationary.....	75-75		62½-62½	50-62½			60-75	40-70
Steam shovel.....	83½-91		84½-100.00	80-91	75.00-85	75-75	75-75	65-75
French machine.....	83½-83½		75-75	80-82½	75-75	75-75	75-75	75-75
Blazer.....	6½-6½		60-60	50-60	85-85	62½-62½	35-35	60-65
Me hanc.....	75-75		50-50	35-35	57-75	35-35	40-40	45-45
Painter.....	62½-62½		50-50	50-50	68½-62½	35-35	40-40	75-75
Pipe layers.....	45-45	38-38	75-75	75-75	63½-75	35-35	40-40	60-65
Plaster.....	45-45	65-70	75-75	62½-62½	63½-75	35-35	40-40	60-65
Plumber.....	68½-80	65-70	75-75	75-75	63½-75	35-35	40-40	60-65
Plumber (for me).....	87½-87½	142.00-137.80	80-81	75-87½	63½-75	35-35	40-40	60-65
Plumber helper.....	37½-37½	37½-37½	37½-37½	35-35	63½-75	35-35	40-40	60-65
Sheet-metal worker.....	70-70	137.50-137.80	37½-37½	35-35	63½-75	35-35	40-40	60-65
Sheet-metal foreman.....	70-70	63½-70	63½-70	45-45	63½-75	35-35	40-40	60-65
Sheet-metal foreman.....	70-70	75-80	63½-70	45-45	63½-75	35-35	40-40	60-65
Steam filter.....	78-80	75-75	75-75	62½-75	60-75	67½-80	75-75	75-87½
Steam filter foreman.....	85-87	85-85	75-85	75-87½	87½-85	10.00-98½	1.00-98½	87½-97½
Steam-filter helper.....	48-50	37½-37½	42½-42½	40-43½	45-37½	37½-37½	40-40	35-35

Per day.

Per month.

Per week.

	Camp Sherman, 1917-18.	Camp Taylor, 1917-18.	Camp Custer, 1917-18.	Camp Grant, 1917-18.	Camp Dodge, 1917-18.	Camp Funston, 1917-18.	Camp Travis, 1917-18.	Camp Lewis, 1917-18.
Labor common.....	\$0.40-\$0.40	\$0.30-\$0.35	\$0.35-\$0.42½	\$0.35-\$0.45	\$0.40-\$0.45	\$0.37½-\$0.42½	\$0.20-\$0.25	\$0.37½-\$0.50
Labor foreman.....	.60-.60	.60-.60	.45-.50	.40-.50	.58-.70	.65-.75	.45-.75	.75-.75
Carpenter.....	.60-.65	.60-.60	.45-.50	.62½-.70	.75-.70	.65-.75	.45-.75	.62½-.75
Carpenter foreman.....	.80-.75	.60-.75	.70-.82½	.62½-.75	.90-.82½	.75-.85	.62½-.87½	.75-.87½
Carpenter helper.....	.40-.40	.30-.35	.70-.82½	.37½-.45	.40-.40	.37½-.37½	.40-.40	.37½-.37½
Blacksmith.....	.65-.65	.30-.35	.50	.62½-.55	.72-.70	.80-.80	.50-.75	.52½-.75
Blacksmith helper.....	.50-.50	.30-.35	.75-.80	.75-.81½	.58-.40	.37½-.37	.33½-.30	.43½-.50
Bricklayer.....	.70-.87½	.70-.75	.75-.45	.45-.45	.97½-.86½	.85-.87½	.87½-.87½	.93½-.93½
Bricklayer helper.....	.60-.60	.45-.45	.55-.60	.62½-.67½	.75-.70	.65-.65	.20-.30	.62½-.81½
Cement worker.....	.60-.60	.35-.35	.55-.60	.62½-.67½	.75-.70	.65-.65	.62½-.75	.63½-.62½
Electricians.....	.62½-.62½	.50-.65	.50-.75	.65-.75	.66½-.75	.68½-.68½	.56½-.75	.62½-.75
Electricians helpers.....	.65-.65	.40-.35	.35-.50	.50-.50	.40-.40	.50-.50	.49-.50	.62½-.62½
Electricians linemen.....	.62½-.62½	.40-.60	.50	.50-.50	.55½-.75	.68½-.75	.75-.75	.62½-.62½
Engineer.....								
Stationary.....	.75-.75	.40-.80	.60	.50-.50		.75-.75	.75-.75	.84-.84
Steam shovel.....		.40-.80	.70-.85	.62½-.62½		.75-.75	.62½-.62½	
Trench machine.....		.50-.85	.70-.85	1.36.00-.75	1.60.00	.75-.75		
Glazier.....		.40-.50	.60-.60	.62½-.62½		.65-.65		
Mechanic.....		.52-.50	.60-.60	.62½-.62½		.65-.65		
Painter.....	.55-.55	.60-.60	.45-.45	.52½-.52½	.58-.70	.65-.70	.50-.65	.62½-.75
Plumber.....	.60-.60	.40-.40	.40-.70	.40-.55	.52½-.60	.60-.60	.31½-.40	.62½-.62½
Plumber foreman.....	.70-.70	.75-.75	.75-.75	.75-.87½	.90-.87½	.87½-.85	.87½-.87½	.87½-.87½
Plumber helper.....	.62½-.75	.60-.75	.75-.81½	.75-.87½	.81½-.81½	.75-.87½	.75-.87½	.87½-.87½
Plumber foreman.....	.82½-.90	.75-.85	.81½-.90	.75-.97½	.91½-.91½	.85-.97½	.87½-1.00	2.40½-2.40½
Sheet-metal worker.....	.35-.35	.30-.35	.45-.45	.37½-.45	.40-.40	.37½-.50	.35-.30	.37½-.37½
Sheet-metal foreman.....	.60-.60	.60-.60	.50-.65	.60-.70	.62½-.75	.62½-.75	.62½-.85	.62½-.87½
Sheet-metal helper.....	.60-.70	.60-.70	.60-.77½	.72½-.77½	.74-.85		.62½-.75	.75-1.00
Steam fitter.....	.62½-.75	.60-.75	.75-.84½	.75-.87½	.81½-.81½	.75-.87½	.75-.75	.81½-.81½
Steam-fitter foreman.....	.82½-.82½	.75-.85	.81½-.93½	.75-.97½	.91½-.91½	.85-.97½	.87½-1.00	1.06½-1.25
Steam-fitter helper.....	.35-.35	.30-.35	.45-.50	.37½-.45	.40-.40	.37½-.45	.25-.35	.62½-.62½

\* Per day.

† Per month.

‡ Per week.

Mr. McKENZIE. Now, Capt. Parrott, in addition to this statement which you have presented, will you furnish us a supplemental table showing the time of the changes in the wage scale at Camp Sherman, Camp Grant, and Camp Funston?

Capt. PARROTT. Showing the increase as of the date effective?

Mr. McKENZIE. Yes; of each trade.

(The statement referred to was subsequently submitted by the witness, and is here printed in full, as follows:)

*Rates paid building trades during initial construction, Camp Sherman, Chillicothe, Ohio.*

Class of labor.	Initial rate (per hour).	Date.	Increases.
Blacksmith.....	\$0.65	Nov. 23, 1918.....	
Blacksmith, helper.....	.50	.....do.....	
Bricklayer.....	.70	July 1, 1917.....	\$0.87½, Aug. 27, 1918.
Bricklayer, foreman.....	.85	May 1, 1918.....	\$1, Aug. 27, 1918.
Brakeman, railroad.....	.40	July 1, 1917.....	
Cement foreman.....	.70	Aug. 27, 1918.....	
Carpenter.....	.60	Apr. 1, 1918.....	\$0.65, Oct. 21, 1918.
Carpenter, foreman.....	.80	.....do.....	\$0.75, Oct. 21, 1918.
Carpenter, helper.....	.40	July 1, 1917.....	
Cement finisher.....	.60	Aug. 27, 1918.....	
Chauffeurs, auto.....	.30	July 1, 1917.....	
Chauffeurs, truck.....	.42½	.....do.....	
Cement mixer.....	.40	May 1, 1918.....	
Electrician.....	.62½	July 1, 1917.....	\$0.60, Aug. 27, 1918.
Electrician, foreman.....	.75	Apr. 1, 1918.....	
Electrician, groundman.....	.30	July 1, 1917.....	\$0.40, Oct. 14, 1917.
Electrician, general foreman.....	.90	Aug. 27, 1918.....	
Electrician, lineman.....	.55		\$0.62½, Apr. 1, 1918.
Engineer, locomotive.....	.65		
Engineer, steam roller.....	.65	Aug. 27, 1918.....	
Engineer, steam shovel.....	.75	Nov. 23, 1918.....	
Electrician, wireman.....	.62½	Apr. 1, 1918.....	
Electrician, general foreman.....	.90	Aug. 27, 1918.....	
Fireman, steam shovel.....	.50	Nov. 23, 1918.....	
Calker.....	.65	.....do.....	
Hod carrier.....	.45	July 1, 1917.....	
Ironworker.....	.75	Sept. 4, 1918.....	
Ironworker, foreman.....	.85	.....do.....	
Labor, common.....	.30	July 1, 1917.....	\$0.35, Apr. 1, 1918.
Do.....	.40	Oct. 19, 1917.....	\$0.40, Sept. 19, 1918.
Labor, foreman.....	.60	Apr. 1, 1918.....	
Machinist.....	.75	Nov. 23, 1918.....	
Mechanic, auto.....	.60	Aug. 27, 1918.....	
Machinist helper.....	.50	Nov. 23, 1918.....	
Pipe layer, foreman.....	.70	Oct. 14, 1918.....	\$0.75, Nov. 23, 1918.
Painter.....	.55		
Pipe layer.....	.60	May 1, 1918.....	
Plasterer.....	.70	.....do.....	
Plumber.....	.62½	July 1, 1917.....	\$0.70, Aug. 30, 1917; \$0.75, Aug. 10, 1918.
Plumber, foreman.....	.82½	Apr. 1, 1918.....	\$0.90, Nov. 23, 1918.
Plumber helper.....	.35	July 1, 1917.....	\$0.50, Aug. 27, 1918.
Rigger.....	.65	Sept. 5, 1918.....	
Rigger, foreman.....	.75	.....do.....	
Roofers.....	.60	Nov. 23, 1918.....	
Sheet-metal worker.....	.60	.....do.....	
Sign painter.....	.60	.....do.....	
Steam fitter.....	.62½	July 1, 1917.....	\$0.70, Aug. 30, 1917; \$0.75, Aug. 10, 1918.
Steam-fitter helper.....	.35	.....do.....	
Steam-fitter, foreman.....	.82½	Apr. 1, 1918.....	
Teams, 2-horse, with driver.....	.75	.....do.....	\$0.80, Oct. 9, 1918; \$0.85, Oct. 14, 1918.
Water boys.....	.20	July 1, 1917.....	\$0.35, May 1, 1918; \$0.25 to \$0.30, Aug. 27, 1918.
Truck drivers.....	.42½	Aug. 27, 1918.....	
Tw foreman.....	.50	.....do.....	
Grade man.....	.60	.....do.....	

*Rates paid building trades during initial construction, Camp Grant, Rockford, Ill.*

Trade.	Initial rate (per hour).	Date.	Increased rate.
Blacksmith.....	\$0.62 <sup>1</sup>	June 26, 1917.	\$0.55, Apr. 13, 1918.
Bricklayer.....	.75	do.	\$0.81 <sup>1</sup> , Aug. 31, 1918.
Bricklayer, foreman.....	.85	do.	\$0.87 <sup>1</sup> , Apr. 13, 1918; \$0.86 <sup>1</sup> , Aug. 31, 1918.
Bricklayer, helper.....	.45	do.	
Carpenter.....	.62 <sup>1</sup>	do.	\$0.70, Sept. 20, 1918.
Carpenter, foreman.....	.67 <sup>1</sup>	do.	\$0.75, Aug. 31, 1918.
Carpenter, helper.....	.37 <sup>1</sup>	do.	\$0.45, Apr. 13, 1918.
Cement finisher.....	.62 <sup>1</sup>	do.	\$0.67 <sup>1</sup> , Apr. 13, 1918.
Cement finisher, foreman.....	.67 <sup>1</sup>	Apr. 13, 1918.	\$0.75, Aug. 31, 1918.
Chauffeurs.....	175.00	do.	\$21 a week, Apr. 13, 1918.
Calker.....	.70	do.	
Electrician.....	.65	June 26, 1917.	\$0.75, Apr. 13, 1918.
Electrician, foreman.....	.77 <sup>1</sup>	do.	\$0.87 <sup>1</sup> , Apr. 13, 1918; \$0.85, Aug. 31, 1918.
Electrician, groundman.....	.35	do.	
Electrician, laborer.....	.35	do.	\$0.45, Apr. 13, 1918.
Electrician, lineman.....	.50	do.	
Electrician, lineman helper.....	.42 <sup>1</sup>	do.	
Engineer, stationary.....	.50	do.	
Engineer, steam roller.....	.50	do.	
Engineer, steam shovel.....	.62 <sup>1</sup>	do.	
Electric wireman.....	.65	do.	
Electric wireman, foreman.....	.77 <sup>1</sup>	do.	
Fireman, heating plants.....	.35	do.	\$0.40, Oct. 10, 1917; \$24, Aug. 31, 1918.
Engineer, gas engine.....	.40	do.	\$36, Aug. 31, 1918 (per week)
Engineer, steam.....	.40	do.	Do.
Engineer, mixer.....	35.00	Aug. 31, 1918.	
Labor, common.....	.35	June 26, 1917.	\$0.45, Apr. 13, 1918.
Labor, foreman.....	.40	do.	\$0.50, Aug. 31, 1918.
Labor, union.....	.50	Apr. 13, 1918.	
Lathers.....	.80	Nov. 2, 1918.	
Mason, union.....	.75	Apr. 13, 1918.	
Mason.....	.75	June 26, 1917.	
Mason, foreman.....	.85	do.	\$0.87 <sup>1</sup> , Apr. 13, 1918.
Mechanic, auto truck.....	4.00	do.	
Mechanic.....	.62 <sup>1</sup>	May 1, 1918.	
Plasterer, foreman.....	.97 <sup>1</sup>	Nov. 2, 1918.	
Painter.....	.52 <sup>1</sup>	June 26, 1917.	
Pipe layer.....	.40	do.	\$0.55, Apr. 13, 1918.
Plasterer.....	.75	do.	\$0.87 <sup>1</sup> , Nov. 2, 1918.
Plumber.....	.75	do.	\$0.87 <sup>1</sup> , Nov. 6, 1918.
Plumber, foreman.....	.75	do.	\$0.85, Aug. 31, 1918; \$0.97 <sup>1</sup> , Nov. 6, 1918.
Plumber, helper.....	.37 <sup>1</sup>	do.	\$0.45, Apr. 13, 1918.
Plasterer, helper.....	.57 <sup>1</sup>	Nov. 2, 1918.	
Road and concrete worker.....	.50	July 16, 1918.	
Roofer.....	.62 <sup>1</sup>	June 26, 1917.	
Saddle horses.....	3.00	Aug. 31, 1918.	
Single rigs.....	3.00	do.	
Sheet-metal foreman.....	.72 <sup>1</sup>	Apr. 13, 1918.	\$0.77 <sup>1</sup> , Oct. 14, 1918.
Sheet-metal worker.....	.65	do.	\$0.70, Oct. 14, 1918.
Sign painter.....	.50	June 26, 1917.	
Steam fitter.....	.75	do.	\$0.87 <sup>1</sup> , Nov. 6, 1918.
Steam fitter, helper.....	.37 <sup>1</sup>	do.	\$0.45, Apr. 13, 1918.
Steam fitter, foreman.....	.75	do.	\$0.85, Aug. 31, 1918; \$0.97 <sup>1</sup> , Nov. 6, 1918.
Saw filers.....	.62 <sup>1</sup>	do.	
Tinner.....	.62 <sup>1</sup>	do.	
Tile setters (sewer).....	.55	Aug. 31, 1918.	
Trench-machine helper.....	21.00	do.	\$0.24, Apr. 13, 1918.
Trench-machine operator.....	36.00	do.	\$0.36, Apr. 13, 1918; \$0.75, Nov. 22, 1918.
Team foreman.....	.70	do.	
Teams, 2-horse and driver.....	.87 <sup>1</sup>	do.	\$1, Nov. 4, 1918.
Waterboys.....	.25	June 26, 1917.	

<sup>1</sup> Per month.<sup>2</sup> Per week.<sup>3</sup> Per day.

This is a true copy.

JOS. N. PARBOTT,  
Captain, Quartermaster Corps.

*Rates paid building trades during initial construction, Camp Funston, Fort Riley, Kans.*

Trade.	Initial rate: (per hour).	Date.	Increased rate.
Blacksmith.....	\$0.80	July 17.....	
Blacksmith, helper.....	.37½	.....do.....	\$0.37, Apr. 15, 1918.
Bricklayer.....	.85	.....do.....	\$0.87½, Nov. 1, 1918.
Bricklayer, foreman.....	.95	.....do.....	\$1, Apr. 15, 1918; \$0.97½, Nov. 1, 1918.
Bricklayer helper.....	.50	.....do.....	
Carpenter.....	.65	.....do.....	\$0.75, Nov. 19, 1918.
Carpenter, foreman.....	.75	.....do.....	\$0.85, Nov. 19, 1918.
Carpenter, helper.....	.37½	.....do.....	
Cement finisher.....	.65	.....do.....	
Cement worker.....	.37½	.....do.....	
Chauffeurs.....	<sup>1</sup> 24.00	.....do.....	\$18-\$24 per week, Apr. 15, 1918.
Calder.....	.60	.....do.....	
Cement mixer.....	.50	.....do.....	\$0.37½, Apr. 15, 1918.
Electrician.....	.68½	.....do.....	
Electrician, foreman.....	.75	.....do.....	\$0.85, Nov. 1, 1918.
Electrician, groundman.....	.50	.....do.....	
Electrician, helper.....	.50	.....do.....	
Electrician, laborer.....	.50	Apr. 15, 1918.....	
Electrician linemen.....	.68½	July 17.....	\$0.75, Dec. 19, 1918.
Electrician, lineman helper.....	.50	.....do.....	
Engineer, ditch machine.....	.66	.....do.....	\$0.50-\$0.60, Apr. 15, 1918.
Engineer, steam roller.....	.60	Apr. 15, 1918.....	
Engineer, steam shovel.....	.75	.....do.....	
Electric wireman.....	.68½	July 17.....	\$0.75, Dec. 19, 1918.
Electric wireman, foreman.....	.75	.....do.....	\$0.85, Nov. 1, 1918.
Engineer, hoist, derrick.....	.50	Nov. 1, 1918.....	
Hoistman.....	.65	July 17.....	
Hod carrier.....	.50	.....do.....	
Labor, common.....	.37½	.....do.....	\$0.42½, Oct. 24, 1918.
Labor, foreman.....	.56	.....do.....	\$0.50-\$0.65, Apr. 15, 1918; \$0.65, Oct. 24, 1918.
Labor, union.....	.37½	.....do.....	
Mason, union.....	.85	.....do.....	
Machinist.....	.65	.....do.....	\$0.65-\$0.75, Apr. 15, 1918.
Mason.....	.85	.....do.....	
Mason, foreman.....	1.00	.....do.....	
Mechanic.....	.50	.....do.....	\$0.50-\$0.65, \$0.75, Apr. 15, 1918.
Metal lather.....	.80	Nov. 1, 1918.....	
Pipe coverer.....	.62½	.....do.....	
Painter.....	.65	.....do.....	\$0.70, Dec. 13, 1918.
Painter, foreman.....	.75	.....do.....	\$0.80, Dec. 13, 1918.
Pipe layer.....	.60	July 17.....	
Plasterer.....	.87½	.....do.....	\$0.85, Apr. 15, 1918.
Plumber.....	.75	.....do.....	\$0.87½, Nov. 1, 1918.
Plumber, foreman.....	.85	.....do.....	\$0.85-\$1, Apr. 15, 1918; \$0.97½, Nov. 1, 1918.
Plumber, helper.....	.37½	.....do.....	\$0.50, July 27, 1918.
Pipe coverer, foreman.....	.75	Dec. 19, 1918.....	
Roofer.....	.65	July 17.....	
Roofer, foreman.....	.65	.....do.....	\$0.75, Apr. 15, 1918.
Skin painter.....	.65	.....do.....	
Steamfitter.....	.75	.....do.....	\$0.87½, June 5, 1918.
Steamfitter, helper.....	.37½	.....do.....	\$0.50, June 27, 1918.
Steamfitter, foreman.....	.85	.....do.....	\$0.85-\$1, Apr. 15, 1918; \$0.97½, Nov. 1, 1918.
Sewer.....	.65	.....do.....	
Team, 2-horse, and driver.....	.70	Apr. 15, 1918.....	
Trench machine operator.....	\$0.60-.75	.....do.....	
Trench machine helper.....	.37½	.....do.....	
Waterboys.....	<sup>2</sup> 2.00	July 17.....	\$0.25, Nov. 1, 1918.

<sup>1</sup> Per week.<sup>2</sup> Per day.

This is a true copy.

JOS. N. PARROTT,  
*Captain, Quartermaster Corps.*

Mr. McKENZIE. Now, what do you know, Captain, with regard to the number of carpenter's helpers in proportion to the number of carpenters that could have properly been used, if they had been so classified?

Capt. PARROTT. Well, I should say about 50 per cent of each.

Mr. McKENZIE. For each carpenter you could have used a helper  
Capt. PARROTT. Yes.

Mr. McKENZIE. That is all, Captain. Do you wish to ask any  
thing, Mr. Doremus?

Mr. DOREMUS. I have no questions.

**TESTIMONY OF MR. HARRY C. SANFORD, CIVIL ENGINEER,  
ENGLEWOOD, N. J.**

The witness was duly sworn by Mr. McKenzie.

Mr. McKENZIE. Mr. Sanford, give your full name to the committee.

Mr. SANFORD. Harry C. Sanford.

Mr. McKENZIE. Where is your home, Mr. Sanford?

Mr. SANFORD. Englewood, N. J.

Mr. McKENZIE. What is your business?

Mr. SANFORD. Civil engineer.

Mr. McKENZIE. How long have you been engaged in that line  
of work?

Mr. SANFORD. About 25 years.

Mr. McKENZIE. What are your qualifications as an engineer?

Mr. SANFORD. I have been chief engineer of the Degnon Contracting Co., in New York, for the past 20 years; that is, up to the middle of last summer.

Mr. McKENZIE. You were with them during the year 1917?

Mr. SANFORD. Yes, sir.

Mr. McKENZIE. What are your educational qualifications, Mr. Sanford?

Mr. SANFORD. I am a graduate of Valparaiso University, Valparaiso, Ind.

Mr. McKENZIE. What is the name of your company, if you are a member of a company.

Mr. SANFORD. The Degnon contracting Co.

Mr. McKENZIE. Oh, yes; you are a member of that. What can you say as to the size of that concern in 1917?

Mr. SANFORD. Financially?

Mr. McKENZIE. Yes, sir; and as to organization and equipment?

Mr. SANFORD. They are capitalized at \$600,000, and I think at that time we had a surplus of about \$2,000,000 and possibly \$500,000 worth of equipment. At that time we had considerable work on subway construction there in New York and a large aqueduct contract.

Mr. McKENZIE. Does this concern take on general construction?

Mr. SANFORD. Yes, sir; construction of all kinds pretty nearly.

Mr. McKENZIE. They are not specialists along any particular line, but do all kinds of construction?

Mr. SANFORD. Yes, sir; they have done all kinds of work in the past 20 years, pretty nearly.

Mr. McKENZIE. Their main office is located in New York City?

Mr. SANFORD. Yes, sir.

Mr. McKENZIE. What do you know, if anything, about Westinghouse, Church, Kerr & Co.—the standing of that company?

Mr. SANFORD. They stand very high, in my judgment.

Mr. McKENZIE. Have they such an organization and equipment as would enable them to carry out large construction work, such as the construction of one of these cantonments that we used during the war?

Mr. SANFORD. I would think so, although I do not know as to their organization in detail. From their reputation I would say that they are perfectly able to carry out any contract of that kind.

Mr. McKENZIE. What do you know of the size and standing of the P. J. Carlin Construction Co.?

Mr. SANFORD. They stand very good, in my judgment. I do not know much about them in detail.

Mr. McKENZIE. Where is this company located?

Mr. SANFORD. In New York or Brooklyn; I do not know just where their main office is.

Mr. McKENZIE. It is a large concern, is it?

Mr. SANFORD. I have always understood it was a strong concern, but as I say, I do not know in detail. It keeps me very busy looking after our own business.

Mr. McKENZIE. Did your company submit a questionnaire to the Emergency Construction Committee?

Mr. SANFORD. Yes, sir.

Mr. McKENZIE. What position in the Degnon Co. did you hold?

Mr. SANFORD. Chief engineer.

Mr. McKENZIE. And what were some of your duties?

Mr. SANFORD. I had charge of making estimates and also in charge of the construction.

Mr. McKENZIE [handing a book and some blue prints to the witness]. I would like to have you examine that Quartermaster's Manual, Appendix 16, which sets forth certain plans and specifications for shelter structures, and also the blue prints, beginning with sheet 12, and the following sheets attached to that exhibit, covering two-story barracks. I want to ask you whether or not, from an examination of those, if they had been placed in the hands of your company, you would have been able from those plans and blue prints to have submitted a bid for a lump-sum contract for such construction?

Mr. SANFORD. A lump sum or unit price?

Mr. McKENZIE. Well, either way. Of course, if the number of buildings were not specified, state whether you could have made a bid known as a unit bid—by the cubic foot or by the building. Of course, I desire to have my question applied to 1917, at the time this construction work was undertaken, and in despite of the fluctuations that were said to be so dangerous at the time for entering upon a fixed-sum contract. I want to know what your judgment is about it?

Mr. SANFORD [after examining plans]. I would say we would have made a bid with these provisions: That we would have been protected as to fluctuations in labor and with the assurance that our materials would have been delivered by the Government.

Mr. McKENZIE. How could that have been done in a contract?

Mr. SANFORD. The fluctuation in labor?

Mr. McKENZIE. Yes.

Mr. SANFORD. Simply by inserting in the contract that the bid was based on certain rates and that any increase would be added to the price bid. That would have taken care of labor fluctuations.

Mr. McKENZIE. Of course, you have in mind the actual increase whatever you actually had to pay?

Mr. SANFORD. As to the schedule?

Mr. McKENZIE. Yes, sir.

Mr. SANFORD. Yes. A certain schedule would have had to be given in our proposal; that is, if the proposal was based on a certain schedule of wages.

Mr. McKENZIE. Then any actual increase would have been added?

Mr. SANFORD. Yes, sir.

Mr. McKENZIE. What have you to say, Mr. Sanford, as to that construction? Is it complicated or simple?

Mr. SANFORD. Well, I would not say that this was complicated work.

Mr. McKENZIE. Mr. Doremus, do you care to ask any questions?

Mr. DOREMUS. Do you know, Mr. Sanford, anything about the operations of the P. J. Carlin Co.? Do you know of any big construction work they have done?

Mr. SANFORD. I can not name offhand any of their jobs, except one job which they had in Brooklyn which I have seen under construction. I do not recall even the name of the building; it was some public building; some public library or something of that kind. But I have often seen their bids and proposals for work in the Engineering Record, etc., and have often heard of them. I have not kept track of their operations.

Mr. DOREMUS. You have no particular information as to the various jobs, or their magnitude, that this concern has performed, as I understand it?

Mr. SANFORD. No; I have not.

Mr. DOREMUS. Did your firm have a contract for any subway work in New York?

Mr. SANFORD. Yes, sir; we have a good deal of subway work.

Mr. DOREMUS. What particular subway projects have you constructed?

Mr. SANFORD. We have been building subways almost continuously since 1902. On the first subway we constructed three sections for Mr. McDonald, one being the section through Forty-second Street, and two of them downtown around the City Hall. Then on the extension to Brooklyn, which was laid a couple of years later; we constructed a section from the City Hall down to the Battery on Broadway, and we constructed a section known as "the loop," on Center Street, about 1908, which was a very difficult section, being about 20 feet below water level.

We constructed a section on Sixth Avenue for the Hudson & Manhattan Railroad, known as the McAdoo system. We constructed the Steinway tunnel under the East River to Long Island City.

In later years we have constructed another section on Broadway for the Brooklyn Rapid Transit system, and two sections on West Broadway for the Interborough system, and we are now constructing a system through Fourteenth Street, one through Fifty-ninth Street, and two in Brooklyn through Flatbush Avenue.

Mr. DOREMUS. Were you doing any subway work at the time the United States entered the war?

Mr. SANFORD. Yes, sir; we were right in the midst of those two sections in Brooklyn, and one on Fifty-ninth Street.



**Mr. DOREMUS.** I will ask you, Mr. Sanford, whether the changed conditions brought about by the war affected your subway project from a financial point of view?

**Mr. SANFORD.** Very much.

**Mr. DOREMUS.** In what respect?

**Mr. SANFORD.** Well, the cost of labor. Labor increased at several different stages from about \$1.75 to \$3.50, or \$4 a day. In fact, I would say that labor has increased 100 per cent, take it all the way through and the cost of materials in about the same proportion. Those contracts were taken by us, of course, based on the old cost of materials and labor which was in force before the war. We not only had to pay more for labor, but the efficiency decreased. A man did not do nearly as much work.

**Mr. DOREMUS.** That condition was quite general, was it not.

**Mr. SANFORD.** I think so.

**Mr. DOREMUS.** What steps did you take, if any, to get relief from the conditions which the war imposed upon you?

**Mr. SANFORD.** We have tried to get relief from the city in various ways, but up to the present time we have had no definite relief of any kind. We have had promises of relief, but it has never been carried out by the city.

**Mr. DOREMUS.** Did you ever attempt to secure relief through the legislature?

**Mr. SANFORD.** I think there was an attempt by the contractors' association over there to obtain relief, and there was a permissive act passed by the legislature, but it simply permitted the city to make adjustments. It was not compulsory, and being only permissive, they have never done anything on it to the present time.

**Mr. DOREMUS.** I gather from what you have stated, Mr. Sanford, that the new condition resulting from the war had a serious effect upon those subway contracts, by reason of the increases in wages, the demoralization of the labor market, the fluctuating prices for building materials, and things of that kind. Am I right about that?

**Mr. SANFORD.** It caused a very serious delay; yes, in the construction.

**Mr. DOREMUS.** What can you say as to whether you were delayed in the transportation of materials?

**Mr. SANFORD.** Yes; we were delayed.

**Mr. DOREMUS.** You have seen and examined the blue prints and plans which have been submitted to you by Mr. McKenzie, and which were prepared, I understand, in the office of the Quartermaster General in May, 1917. I would like to ask you whether you could have taken the blue prints and plans which now lie before you, and with those as a guide submitted a bid on a lump-sum or unit basis for the construction of one of these 16 large Army cantonments, including sewers, roadways, water, electricity, and all other utilities?

**Mr. SANFORD.** I would not want to say that we could have included all the miscellaneous work, such as the utilities, in a fixed bid, but as to the buildings themselves, I think we could have made a bid with the provisions that I mentioned awhile ago as to labor, and the assurance that we could have materials to work with. As to the utilities and matters of that kind, you would have to have very definite information down to the smallest detail as to what you have

to do before you could make a bid, and that would probably be a very difficult thing to furnish.

Mr. DOREMUS. Mr. Sanford, the act of Congress providing for the conscription of the Army was passed on the 16th of May, 1917. At that time sites for these 16 large cantonments had not been selected. Between that date and the 5th of September following sites were selected, the contracts were entered into, and the work completed for the receipt at each of these camps of the first contingent of the National Army, including not only the buildings, but all of the utilities. I would like to have your opinion, Mr. Sanford, as an engineer and a builder of 25 years' experience, as to whether that was a good construction job?

Mr. SANFORD. I would say it was, without question, good work.

Mr. DOREMUS. It has been suggested that I ask you this question. How long would it take, after getting the plans, to figure out a bid on a sewer system approximately 25 miles long, a sewage-disposal plant, and a water system about 20 miles long, with the attendant reservoirs, pumping stations, etc.?

Mr. CHANTLAND. That is, on a rush order.

Mr. DOREMUS. Well, under the plan of construction to which I have called your attention.

Mr. SANFORD. I would say it would take three weeks to get up an intelligent bid.

Mr. DOREMUS. I think that is all.

Mr. MCKENZIE. I want to ask you one question that I overlooked. Did your company take a lump-sum contract to do construction work for the Navy and succeed in getting a contract and completing it on time?

Mr. SANFORD. We did.

Mr. MCKENZIE. Mr. Doremus has interrogated you at some length in regard to your construction work in the city of New York on subways, and whether or not you were delayed in getting material, and also if you did not have some difficulty about securing labor. Now, is it not a fact, Mr. Sanford, that was due, to a large extent, to the fact that the Government, exercising its proper authority, had given priority to all governmental shipments, and also had the first call on labor?

Mr. SANFORD. That applied to a great extent. Of course, labor was shifting around to more or less extent from one job to the other at that time, because there was not enough labor to go around. They would be on the job one day and on some other job the next day. The demand for labor was greater than the supply.

Mr. MCKENZIE. In your judgment, was not that to some extent due to the fact that on one of these cost-plus contract jobs they were paying a certain rate of wages, and then the next one paying more, and maybe at the next one they were paying a still higher rate; and labor always figured, like the prospector, that the big lead is just over the hill?

Mr. SANFORD. Just going right around a circle; that is the way it went.

Mr. DOREMUS. Just a moment. I think I neglected to ask you whether your subway contracts in New York were on a lump-sum basis?

Mr. SANFORD. No; they were on a unit-price basis.

Mr. DOREMUS. A fixed sum per unit?

Mr. SANFORD. That is right.

Mr. DOREMUS. That is all, Mr. Sanford. We are much obliged to you.

Just at this point I want to offer, to have inserted in the record, two letters, one written by Mr. Chantland to Mr. J. C. Boyd, of Westinghouse, Church, Kerr & Co., of New York, and the reply of Mr. Boyd.

(The two letters referred to are here printed in full, as follows:)

JANUARY 10, 1920.

Mr. J. C. BOYD,

*Care of Westinghouse, Church, Kerr & Co.,*

*37 Wall Street, New York.*

DEAR SIR: Under date of May 11, 1917, Maj. Krauthoff, chief quartermaster, Department of the East, telegraphed from Governors Island to Gen. Littell, Chief of the Construction Division, of Washington, D. C., as follows:

"Westinghouse, Church, Kerr & Co., 37 Wall Street, New York City, represented by J. C. Boyd, refer to contract for any construction at  $3\frac{1}{2}$  per cent profit. They are classed as a thoroughly competent concern.

"KRAUTHOFF."

Will you kindly advise me, for the use of Subcommittee No. 2, Select Committee on Military Expenditures, whether your proposal to do any construction work, as stated therein, comprehended broadly on any construction work which the Government might require, of whatever character, including camps, cantonments, utilities, both outside and inside, and whether small or large in projects?

Very respectfully,

WILLIAM T. CHANTLAND,  
*Counsel for Subcommittee No. 2.*

WESTINGHOUSE, CHURCH, KERR & CO.,  
ENGINEERS AND CONSTRUCTORS,  
*New York, January 12, 1920.*

WILLIAM T. CHANTLAND, Esq.,

*Counsel for Subcommittee No. 2,*

*Select Committee on Military Expenditures,*

*Room 178, House Office Building, Washington, D. C.*

DEAR SIR: Your letter of January 10, 1920, received, quoting telegram received by Gen. Littell, under date of May 11, 1917, from Maj. Krauthoff, chief quartermaster, Department of the East, reading as follows:

"Westinghouse, Church, Kerr & Co., 37 Wall Street, New York City, represented by J. C. Boyd, offer to contract for any construction at  $3\frac{1}{2}$  per cent profit. They are classed as a thoroughly competent concern.

"KRAUTHOFF."

This letter refers to the same matter about which you recently telephoned me, at which time I advised you that Westinghouse, Church, Kerr & Co. (Inc.) had had a portion of their letter files destroyed by fire, and that the copies of the letters written in relation to the matter referred to Maj. Krauthoff were destroyed, so that we are unable to quote exactly what the letters contained.

So far as I can now recall, some time in the early spring of 1917, Westinghouse, Church, Kerr & Co. (Inc.), over my signature as vice president, wrote various representatives of the War Department stating that this company would be glad to undertake engineering and construction work for the War Department on the basis that the Government should pay the entire cost of the service rendered and to pay to Westinghouse, Church, Kerr & Co. (Inc.) a net profit of  $3\frac{1}{2}$  per cent of the cost of the work performed.

My recollection is that these letters further stated that the Government was to place auditors in our office to determine the cost of the work, and that the  $3\frac{1}{2}$  per cent fee was to be determined on the cost arrived at by such audit.

My further recollection is that it was our intention to offer the entire service of our company, to do anything the Government might desire us to

do, utilizing our facilities in the fullest possible manner, no reference being made to whether the work was small or large, but as our capacity was very large we naturally expected that we would be utilized on a large volume of work. In other words, it was our thought that the Government would practically take over the entire facilities of the organization and that there should be a net fee of 3½ per cent, based on the cost of the work performed, for our security holders.

I gather from your telephone conversation that you have in mind a comparison of this office with the standard emergency contract for construction used by the construction division, and I desire to caution you in making any such comparison, as there is no relation whatever, to my mind, between the arrangement proposed by us and that actually used by the construction division for its emergency work. Perhaps the arrangement made by the Government with the railroads more nearly corresponds with what we had in mind, i. e., that the Government should utilize us to the full extent and provide a return for our security holders measured by the amount of work we were called upon to perform.

I trust that the above will give you the information desired, and remain.

Very respectfully, yours,

JAMES C. BOYD, *First Vice President.*

Mr. McKENZIE. At this point I also want to insert in the record a short statement, in view of some of the questions that were asked Mr. O'Connor, of Chicago, when he was on the stand a few days ago, in regard to railroad construction, the questions evidently implying that in his estimate he had omitted something in making up the amount of his estimate in regard to railroads. I now read from part 7 of the hearings before the Committee on Military Affairs, United States Senate, Sixty-fifth Congress, second session, February 1-14, 1918, at pages 2332 and 2333. In tables submitted by Gen. Littell I find the following:

The first table to which I refer is an estimate of the approximate cost of a permanent railroad track constructed. I will first take Camp Grant: Location, Camp Grant, Rockford, Ill.; railway, Chicago, Burlington & Quincy; track on railroad right of way built by railroad, \$5,705; track from railroad right of way to camp site built by railroad, none; track from railroad right of way to camp site built by contractor, none; track on Government property built by railroad, \$97,370; track on Government property built by contractor, none.

Now, in the approximate statement of linear feet of permanent feet of railroad track constructed I find the following:

Location, Camp Grant, Rockford, Ill.; railway, Chicago, Burlington & Quincy; track on railroad right of way built by railroad, 1,786 feet; track from railway right of way to camp site built by railroad, nothing; track from railroad right of way to camp site built by contractor, nothing; track on Government property built by railroad, 26,375 feet; track on Government property built by contractor, nothing.

Now, inasmuch as Camp Sherman has been under investigation. I want to insert the same facts in connection with Camp Sherman: Camp and location, Camp Sherman, Chillicothe, Ohio; railway, Baltimore & Ohio; track on railroad right of way built by railroad, \$14,032; track from railroad right of way to camp site built by railroad, nothing; track from railroad right of way to camp site built by contractor, nothing; track on Government property built by railroad, \$125,628; track on Government property built by contractor, nothing.

Now, referring to the number of linear feet of track constructed, I find in the table: Camp and location, Camp Sherman, Chillicothe, Ohio; railway, Baltimore & Ohio; track on Government right of way built by railroad, 3,383 feet; track from railroad right of way to camp site built by railroad, nothing; track from railroad right of way to camp site built by contractor, nothing; track on Government property built by railroad, 36,278 feet; track on Government property built by contractor, nothing.

**TESTIMONY OF BRIG. GEN. R. C. MARSHALL, JR., CHIEF OF CONSTRUCTION DIVISION, WAR DEPARTMENT.**

Mr. McKENZIE. General, you have been sworn before, have you not?

Gen. MARSHALL. I think so; I have testified before.

Mr. DOREMUS. General, how long have you been in the military service?

Gen. MARSHALL. I was in the military service from June, 1898, until, I think it was the early part of June, 1899, not quite a year, and from February, 1902, up to date.

Mr. DOREMUS. And in what branch of the military service?

Gen. MARSHALL. I was first in the Coast Artillery Corps, and have served two details in the Quartermaster Corps, four years the first detail, and then from January, 1915, up to the outbreak of the war; and with the Construction Division, first the Cantonment Division, from the beginning of the war up to date.

Mr. DOREMUS. Briefly, Gen. Marshall, what has been your experience in construction work?

Gen. MARSHALL. In 1908 I came to the Quartermaster General's office with particular reference to the construction of electrical plants, and electrical systems at military posts. If my recollection serves me right, at that time only 20 per cent of the military posts of this country were lighted by electricity. Electrical and mechanical work had been my specialty in the Coast Artillery Corps, and I was selected and brought to the Quartermaster General's office for the specific purpose of supervising those installations. In addition to that, I was assigned at that time to work in connection with, I think, general utilities. If my recollection serves me correctly as to the detail, I think I had roads, walks, walls, sewers, water systems, and electrical systems. If I did not have them in the very beginning I shortly after did have general supervision of them. Since that time I have been more or less actively in it.

Mr. DOREMUS. At what time were you assigned to the Construction Division of the Army?

Gen. MARSHALL. I was with the Construction and Repair Division of the Quartermaster General's office, assigned to that in January, 1915. I was with it continuously up to the outbreak of the war, and when the Cantonment Division was formed I went with it, and was with it continuously until it was changed to the Construction Division, and have been with it continuously since.

Mr. DOREMUS. And you are with it now, as I understand?

Gen. MARSHALL. I am with it now; yes, sir.

Mr. DOREMUS. And are the chief of that division?

Gen. MARSHALL. Yes, sir.

Mr. DOREMUS. General, as you are aware, this committee for several months has been engaged in taking testimony bearing upon the construction of the 16 large Army cantonments. I think it is proper—and in that I think Mr. McKenzie agrees with me—that at this time we should have a statement from you embracing any information regarding this work that you think would be of use to the committee.

Gen. MARSHALL. It is difficult to reconstruct the days of 1917. It is easy to forget the strenuous conditions under which we were working at that time and to apply the relatively easy conditions of the human mind to that same problem now as if the human mind were in that state at the time.

When war was declared, the Construction and Repair Division of the Quartermaster General's office, of which Col. Littell was then the chief, had before it the consideration of how the Army was to be housed. We had not yet been informed, as I recall, that tentage would not be available. The question of how the Army was to be housed depended to a considerable extent upon whether the men were drafted or volunteered; that is, whether they would be seasoned or unseasoned.

We had prepared prior to the outbreak of the war standard plans for buildings, with particular reference to such construction as along the Mexican border. In the first officers' training camps these standard plans were used. Subsequently the question was discussed at great length, and Gen. McDonald, from Canada, accompanied another officer—I think his name was McDonald—was consulting with Gen. Littell at considerable length as to the conditions that he had met with. He had constructed the big camp up in Canada—I forget its name now—and Gen. Littell and the advisory architect, Mr. Wheaton, now Lieut. Col. Wheaton, and Gen. McDonald discussed at length the layout, the question of using one-story structures, the question of using two-story structures, and, if my information is not incorrect, it was then that the question of two-story barracks was determined; that the one-story barracks would be eliminated and the two-story barracks substituted. This was before the Cantonment Division was formed, while the Construction and Repair Division was still in the War Department Building.

Mr. DOREMUS. About what time was that? Do you remember?

Gen. MARSHALL. That was about the middle of May, 1917. I do not know whether that is of any particular importance, but if that is a mooted point, Col. Wheaton could give you more direct knowledge than I could, because, as I say, I am more particularly engaged on utilities.

It was about the 1st of May, I think, when the advisory committee on engineering construction of the general munitions board, I think it was called then, began to obtain a membership—those gentlemen who were conferring with Gen. Littell and Maj. Oury. My line of work came very little in contact with them at that time, although I had some contact with them.

Mr. DOREMUS. Right there, if it will not interrupt you, General, who was Maj. Oury and what were his duties at that time?

Gen. MARSHALL. Maj. Oury was assistant to Gen. Littell, just as I was. He was assistant for construction work in the sense of build-

ings and matters of that character and I was assistant on construction work in the sense of utilities and matters of that character. That was the principal line of demarcation between our duties as assistants.

The question of how this work was to be handled was not finally determined, I believe, until it was certain that the draft bill would become a law. Then the Secretary of War issued instructions that Col. Littell would become independent of the Quartermaster General so far as that work was concerned, vested with the same powers that the Quartermaster General had held prior to that time; and not only thus by order vested, but was physically separated from the Quartermaster General's office by moving to another place. We moved into the Munsey Building at that particular time.

It was there that the principal discussions over the contract, so far as we were concerned, were held, and it was there that we began to gather the personnel that formulated from the War Department's side the methods of procedure that the then Cantonment Division should use in its work.

We had the advice and counsel of a number of men. Among the most prominent were two who have testified here recently—Mr. Fuller and Mr. Metcalf—and naturally men of that character inspired great confidence in formulating a judgment as to what was to be done.

There were a number of courses open as to whether the work should be done on the cost-plus basis or whether it should be done on a unit-price basis; whether we should try to form our own construction gangs during the war without any contractors or whether we should try to commission enough of the contractors to supervise the work.

I think that practically every phase of it was discussed. It is in the realms of possibility that some other plan might have succeeded, but I hardly believe that it is in the realms of probability. We were working under a tremendous strain. I and the other people who were doing that work then were in the office approximately from 7.30 in the morning until midnight, frequently eating both lunch and dinner right at the desk, and I believe that the procedure that was outlined early showed the exercise of a dependable judgment, in that the results set out to be obtained were obtained. We were handling that job then just the same as if we were handling a fighting job. Personally, I was thoroughly imbued with the spirit that we were fighting a battle there just as surely as if we were fighting it on the firing line, and that if we failed by one month to build the places for these men to go the result on the fighting line might be very disastrous. That was the spirit with which everybody who was considering the subject was imbued.

On July 11 Gen. Pershing cabled to this country a statement that reads in part as follows:

Plans for the future should be based, especially in reference to the manufacture of artillery, aviation, and other material, on three times this force; that is, at least 3,000,000 men.

This follows a statement that the smallest fighting unit that they should consider for an army should be a million men, so that the thought that we had been working under in May and June was confirmed from that source.

At that time the thought in our minds was that the work before us was bound to be expensive. It had to be done with speed, for which we had to pay in the same way that you have to pay for anything that you can not absolutely exercise a cool judgment on all the while. As it turned out, the cost was but 5 per cent different from the estimate that was made on May 26 as to what the cost would be.

Mr. DOREMUS. Will it interrupt you if I ask you a question right there, General? Do I understand that the ultimate cost of these camps and cantonments exceeded by 5 per cent the estimate that was made on May 26, 1917?

Gen. MARSHALL. For the things that were included in that estimate of May 26; yes, sir. There were subsequently other things included that increased the cost very much, but on May 26 we made an estimate for the things that were the sine qua non for camps. We did not have an ice plant in it, or any of those things which it was possible to get along without, but not advisable. An analysis of the cost of those same things made afterwards showed that whereas this estimate for some 624,000 men would have run, I think it was, \$107,000,000, the actual cost was but \$113,000,000. It may have been 102 and 109 million dollars, but the figures were apart between \$6,000,000 and \$7,000,000.

But even had the cantonments been expensive, no one, either as a matter of foresight, or, I believe, as a matter of hindsight, could do other than find that a dependable judgment had been used; because the whole essence of the proposition was to have a place to put those drafted men so that they might be organized and trained for combat purposes. As it stood, in spite of the fact that we did have these buildings ready for the first increment of the draft, it was not until June, 1918, that any of the drafted divisions was put on the battle front, and then only one division; and prior to July 18, 1918, only two of the drafted, and they were put in simply because, the inference is from this report of Gen. Pershing's, it was a case of absolute necessity.

Mr. DOREMUS. You are speaking now of divisions?

Gen. MARSHALL. Divisions; yes, sir.

Owing to the question of the selection of contractors for the first cantonments, the gentlemen who formed that committee were Mr. Starrett—I do not recollect the other membership of the first committee, except Mr. Lundoff and Mr. Tuttle. When it came to the selection of those contractors, Mr. Lundoff and Mr. Tuttle retired from the committee, and Mr. Starrett, Mr. Olmsted, of Boston, Mr. Metcalf and Mr. Fuller, who recently testified here, and Mr. McGibbon formed the committee for the selection of those contractors.

Mr. DOREMUS. Who was Mr. McGibbon?

Gen. MARSHALL. Mr. McGibbon was from a surety company in Chicago. I do not know what the name of the company is.

Col. COUPER. He was from Chicago—the United States Fidelity & Guaranty Co. He was called for his information as to the financial standing of contractors generally. He was not a member of the committee, but sat with the committee.

Mr. DOREMUS. General, you testified awhile ago regarding the estimate of May 26, 1917. I hand you what appears in the committee records as Sheet B, page 2284, and ask you if that is the estimate to which you have just referred?



Gen. MARSHALL (after examining papers). Yes, sir; that is the one. I have the original of it here with me.

We were conscious that on any construction job of this magnitude there would be from 8,000 to 15,000 workmen, many of them taken from the flotsam and jetsom of the laboring world, and that, therefore, there would be a tendency for loafing, graft, and dishonesty among a certain proportion of them; it was one of the most difficult situations, we felt, that we had to face. That was one of the difficulties of our job. So I went to Mr. Bielaski, of the Department of Justice, several times myself, and other officers went to him repeatedly, and asked him specifically to have his men on a number of jobs, and asked him generally if he would place his men where and when he might think proper or fit to discover any such dishonesty in the form of loafing or graft, or actual substitution of names on pay rolls, or anything of that character.

Mr. DOREMUS. Who is Mr. Bielaski?

Gen. MARSHALL. Mr. Bielaski was in the Department of Justice, in charge of the Bureau of Investigations, which was practically the secret-service agency that we had then. This was prior to the time that our military intelligence became active in this kind of work.

Mr. Bielaski did so, and as a consequence of that and other things there are now men who are serving their terms in the penitentiary from a number of these places. We were specifically worried, and very much worried at one time, over Camp Lee, Va., and we asked Mr. Bielaski to select some particularly competent men to go there and go through the whole thing from beginning to end to see if there was anything there in the form of dishonesty that might lead to prosecutions. There were two men so detailed—I forget their names just now—one man supposed to have had considerable experience in auditing and accounting—

Mr. DOREMUS. Was Mr. Storck one of them?

Gen. MARSHALL. I would have to look at the records to recollect their names, there were so many going through there; I think one of them was up here the other morning.

Mr. CHANTLAND. Mr. Storck was an accountant and was loaned to the War Department to go down there on another matter.

Gen. MARSHALL. That is the way Mr. Bielaski handled it. He loaned us two men, who went there with Maj. McConnell, and they spent, I think, three months going into all the transactions of that contractor.

Mr. MCKENZIE. If Mr. Doremus will allow me, I want to ask you, General, whether in the investigation by the Department of Justice by Mr. Bielaski you ever apprehended a Mr. Tragellis, who was pretty active at Camp Sherman?

Gen. MARSHALL. I do not recall him, sir; I do not recall the names of any of them now.

Mr. MCKENZIE. I thought that perhaps you might remember.

Gen. MARSHALL. I do not recollect the name, although I might have talked to him, and I doubtless read some of his reports if he was there, because I read a great many of them then. I was particularly anxious to cover that, because I realized that that was the source of scandal, and a construction job lends itself more to that kind of thing than any other kind of work. We were positively

doing everything we knew how to take care of that thing with the tremendous amount of other things we had to take care of.

Mr. McKENZIE. It may be you misunderstand me. Did you understand me to say that Mr. Tragellis was connected with the Department of Justice?

Gen. MARSHALL. Yes.

Mr. McKENZIE. No; I asked you whether the agents of the department had ever apprehended Mr. Tragellis?

Gen. MARSHALL. I do not know, sir; that may be so. I do not recollect that particular instance.

I am just going into this to point out that that was one of the great difficulties of our job, and that unquestionably such things did exist. We caught some of them, but I believe we caught a minority rather than a majority. In the nature of things, we knew beforehand that they were bound to exist, but while we could take care of the big things, we could not take care of many of the small things. Recently I have been informed that the Department of Justice had in some cases the stenographer to the chief accountant as one of their agents. We never knew that the agents were on the ground, generally speaking. I asked Mr. Bielaski specifically if he would not put agents in places where they could catch a large sphere of dishonesty, if a tendency showed that way, and I am happy to state that in only one case that I know of has an officer been found guilty of any connivance to defraud the Government.

Mr. DOREMUS. Was he punished?

Gen. MARSHALL. The situation as I have it, which I believe to be correct, is that an officer and a civilian were both found guilty. The civilian had a civil court and got three years, and the officer had a military court and got 20 years. I think that is the only case of any officer being tried and convicted, although, as I say, we had quite a number of civilians convicted of crimes in connection with contracts. We turned the cases over, of course, to the district attorneys in the several instances, and they prosecuted them.

Going back to the labor element that we had to contend with, the laborers that we got did not perform their work as efficiently as it had been done prior to the war. That, again, was one of our enormous difficulties.

To get from 8,000 to 15,000 men to work effectively and efficiently in a question of four or five weeks was a task almost impossible of accomplishment. We had to take such labor as we could get. If there was a superfluity of labor in the country which was not available at the places where we had to use it, the conditions at the places where we did have to use it were more difficult than your mind can very well bring itself to believe at this time.

For example, take Camp Upton. One would think that Camp Upton, situated on Long Island, was particularly favored with respect to labor. Such proved not to be the case. Camp Upton is 64 miles out, on a railroad that then gave very poor service. It was in a densely wooded place, where mosquitoes predominated. The contractor there thought that he would save money to the Government by putting his men in tents and not giving them houses to live in until they built barracks buildings. He went ahead on that theory. He cleared out a space and put tents in there, and labor would come out there, stay one night, get eaten up by mosquitoes, and would not

stay any longer. Instead of proving to be a place where labor was easily handled, it proved to be the place where labor was, perhaps, the most difficult to handle.

Until they got these men into barracks buildings which were properly screened—which you can not well do in a tent except by building tent walls, and doing the very thing that he was trying to avoid—the labor question there was one of tremendous difficulty. It was perhaps more pronounced there at that place than any other.

MR. MCKENZIE. That was the camp, was it not, General, where they leased the land for 2 cents an acre, and it cost about \$200 an acre to clear?

GEN. MARSHALL. Yes, sir.

MR. DOREMUS. Who selected the site?

GEN. MARSHALL. I want to interpolate there, that the sites were selected by a board of officers entirely independent of any influence or say on the part of the construction people. The department commanders appointed boards to select the sites, and we had to do the work wherever the site was selected.

MR. DOREMUS. Who was commander in the East at that time?

GEN. MARSHALL. Gen. Franklin Bell.

MR. DOREMUS. Has there been any particular criticism since as to the selection of that particular site?

GEN. MARSHALL. I think there has been; I know we hear reverberations of it.

I went up there—I suppose it was in July—to try to better transportation conditions. For example, on one Friday the Constructing Quartermaster went down to Brooklyn and got 20 carloads of lumber and spotted the cars, expecting to get that lumber and have it available on Monday morning. He got the first carload of that the following Thursday, and it is only 60 miles away.

The enforced idleness that that produced was an example of the difficulties that we had. Those men were idle? Yes; they were idle. The condition was just simply heartbreaking. I was sweating blood. I was there at that particular time for a day, and it was just simply awful. The transportation into there had not yet gotten to the state that it got to later, where they could develop. At that particular stage of the game it was just simply congested so that neither laborers nor material could be delivered with any facility whatever. So that Camp Upton, which I thought in the beginning, before I began to analyze the situation, and as I think most people would look upon it now, was particularly favored with respect to location—was quite the opposite, just simply because the railroad transportation was not there.

I could, of course, recount a great many of the difficulties we had. I am saying this to try to reconstruct the ordeal that the people who were charged with this thing were going through with at the time. It was predicted by a great many people that it was impossible of accomplishment, to have these camps ready.

In May, I think it was, Col. Lockridge, at the War College, called me up with the suggestion that they were having difficulty in formulating the draft, and if the buildings would not be ready for housing these troops perhaps the first increment of the draft would be delayed beyond September. I said, "Nothing doing. If you will tell us the day that you are going to get the first draft, if it is August, we will

have a place for them." That was just exactly the way I felt about the urgent need for organizing this army, and the way the whole outfit that was charged with this felt, including the men on the committee on emergency construction and repair of the War Industries Board, and Mr. Frank Scott, who was at that time the chairman of the board.

So the imputations that are thrown at labor, that they were not efficient, are correct. Just why it was so several men may have several opinions, but that it was so there was and is no question of doubt.

I might add right here that from the beginning of the war up to June, 1919, we had 904 strikes, yet not a single construction job was late one day of being ready on the time that in the beginning of the job it was said that it would be ready. These strikes were handled by a section of the Construction Division in cooperation with the labor people and, I believe, got into the newspapers to a very limited extent. The man that has got to cope with that has got some job.

Mr. McKENZIE. May I ask the general a question? Were those strikes usually settled, General, by conceding that the workmen were entitled to a raise in their pay?

Gen. MARSHALL. I do not know that that is a fact in general, but I know that there was a considerable raise of pay. That is one of the outstanding facts of the war which there is no use of quibbling about, one way or the other. I think you had the record of raises in pay; it was introduced here. Whether the strikes were settled on that basis or not I am not sure; I just do not know. I would have to get a tabulation to answer that question.

It is true that our labor was a small percentage organized labor; a large part of it was unorganized labor. We had to use men as carpenters that were not carpenters—that were saw and hammer men—but we had to get the job done, and if a man could handle a saw and hammer and we could not get a man who was a finished carpenter, why, it was a question of getting the best that we could get.

Mr. McKENZIE. If I may, I would like to ask the general a question in this connection in regard to policy. Of course, the wages varied to some extent at different camps and cantonments. Were not many of the strikes brought about by the knowledge that the men had that, for instance, Camp Upton was paying a certain price and Camp Meade another; and the rate at Camp Meade being lower than at Camp Upton, the men would say, "Now, we will have it; we have the same price that is paid at Camp Upton, or we will strike;" and perhaps they would strike, and there would be a settlement made increasing their wages; and would not the knowledge of that be communicated to the other camps, and did it not become a system of strikes among the men for boosting the pay roll?

Gen. MARSHALL. Why, I do not believe there was any system about it, Mr. McKenzie. That that did have some effect, I have no doubt, but I do not think there was any system about it. It must be said that the higher men in organized labor certainly worked in conjunction with our office; that must be said. They established a working relationship that had great effect.

But I am absolutely free to say that this thing presented one of the greatest difficulties of our lives at that moment—this very thing you are talking about. The question of getting labor and how much we should pay them was one of the many problems we had to solve.

and had to solve then; we could not wait for any arbitration. We had to settle it; we had to do the job. The Germans were not waiting; they were trying to get to Paris; and I was doing my best to meet them, and every man in connection with this construction work, I believe—certainly those in the Government service—were doing their best to meet them.

Mr. McKENZIE. Let me ask another question there: As the scale of wages went up, did the efficiency go up with it; or is it not a fact that as the wage scale ascended the efficiency descended in about the same proportion?

Gen. MARSHALL. I do not think it was in the same proportion, and I do not think it was due to that. I think it was due to the scarcity of labor as the war went on, rather than the boosting of the price. After awhile a man knew you could not discharge him; he knew you could not replace him. I think it was due to that more than to the fact you have cited.

On the other hand, I think it is perfectly wonderful that the results obtained from these laborers could be obtained. I am not assigning the reason for this inefficiency; in other words, I am not accusing labor in itself of deliberately bringing about this inefficiency, because it was, perhaps, due largely to trying to organize too great a force in too short a time to produce effective work.

Mr. DOREMUS. Perhaps, General, you have already covered this, but I will ask you your opinion as to whether these camps and cantonments could have been constructed in time for the reception of the troops under any form of contract which required the preparation of complete plans and specifications?

Gen. MARSHALL. No, sir. I believe I am in as good a position to judge that as anybody, and I think I can confidently assert that it could not have been done. For example, take the surveying of 20 miles of sewers. Unfortunately, it is one of the laws of nature that sewage may only run down hill, and you have got to lay your plans for that accurately or else you are going to have a sewer that will not work. The surveying alone for inviting bids on work like that occupied almost as much time as it took to construct the plants. The surveying parties were very little ahead of the necessary office work that had to be done to determine the grades and locations of sewers, and the necessary plans for inviting bids could not have been prepared in sufficient time to have made awards so that the work could have been done. It had to be done under some method whereby the work could keep ahead of the plans, and not have the work begin only upon completion of the plans.

Mr. DOREMUS. My attention has been called to the testimony of Mr. Bulkley, taken before this committee, and I wish now to draw your attention to a question propounded to Mr. Bulkley by Congressman McCulloch, of this committee, found on page 1051 of the hearings, reading as follows:

Mr. McCULLOCH. Now, if it turned out that they did not complete the cantonment, that they evaded it, as Gen. Marshall admitted in his testimony before this committee, on the Camp Benning project: if they could evade that provision of your contract by an additional contract and by subcontracts, then the effectiveness of your language has been lost. If you intended that the contractor, for the fee not to exceed a maximum fee of \$250,000, was to complete the cantonment?

What did you mean, Gen. Marshall, by that part of your testimony to which Mr. McCulloch makes reference in that question?

Gen. MARSHALL. I never meant to convey the idea that the contractors were at any time permitted to evade such a provision of the contract, and I can recollect that I answered specifically no to questions that were propounded to me for the purpose of eliciting information to that effect in the affirmative.

Mr. DOREMUS. Let me ask you this: Did you intend to convey the impression that where a contractor took a cantonment construction job on a maximum upset fee of \$250,000, he evaded the contract by receiving more than \$250,000 for the performance of the work covered by that contract?

Gen. MARSHALL. He did not receive more than \$250,000 for the work covered by that contract in any instance.

Mr. DOREMUS. That is the point I want to clear up.

Gen. MARSHALL. In that connection, this whole question was submitted to the Judge Advocate General in September, 1918. Gen. Ansell was Acting Judge Advocate General. Under the date of September, 1918, he gave a decision bearing on that very thing. The last paragraph of the decision reads as follows:

The contract is on the printed form for emergency work to be paid on the cost-plus basis, and all its provisions are to be construed with reference to the scope of the work as set forth in article 1 thereof. This office is clearly of the opinion that when the work in contemplation at the making of the contract and which is described in a general way in the part quoted above, was completed, the contract was properly declared ended, and that the further work of enlarging the camp, including necessary alterations, additions, and repairs, could not be required of the contractor under the terms of said contract of June 23, 1917, and that the action in having the additional work done under another contract was the proper one under the circumstances outlined above.

S. T. ANSELL,

*Acting Judge Advocate General*

Mr. DOREMUS. Is there any other part of that letter you would like to have in the record?

Gen. MARSHALL. I think it would be well, perhaps, to put this whole indorsement in.

Mr. MCKENZIE. I have no objection.

Mr. DOREMUS. I will ask to have this letter from Acting Judge Advocate General Ansell inserted in the record at this point.

(The document referred to is here printed in full as follows:)

Contracts  
Call-DEP  
J. A. G. 165.

[First indorsement.]

WAR DEPARTMENT, J. A. G. O.,  
September 13, 1918

TO THE CHIEF OF THE CONSTRUCTION DIVISION OF THE ARMY:

1. Opinion is requested as to the scope of the work covered by the contract, dated June 23, 1917, with the Thompson-Starrett Co. for the construction of a cantonment at Yaphank, L. I., known as Camp Upton. In submitting the question it is stated that when the work in contemplation at the time of the contract was made, and which is described in a general way in Article 1 of the contract, in the typewritten part thereof was completed, the contract was declared ended and settlement made accordingly, and that a new contractor was employed to take care of the work of enlarging the camp, including alterations, additions, and repairs. Referring to the question raised in a Senatorial investigation, as to why the Thompson-

Starrett Co. was not required to perform the work of enlarging the camp without any further fee, under its said contract of June 23, 1917, the opinion of this office is requested as to whether the interpretation of the contract as outlined above is correct.

2. Article 1 of the contract, under "extent of the work," defines the scope of the work as follows:

"Yaphank, Long Island, N. Y., buildings and other utilities, except roads, stoves, bunks, mattresses, ranges, and refrigerators for a division of Infantry, including the following units, viz: One Aero Squadron, two Balloon Companies, one additional brigade headquarters, two Heavy Artillery regiments, horse drawn, in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction."

The contract is on the printed form for emergency work to be paid on the cost-plus basis, and all its provisions are to be construed with reference to the scope of the work as set forth in Article 1 thereof. This office is clearly of the opinion that when the work in contemplation of the making of the contract, and which is described in a general way in the part quoted above, was completed, the contract was properly declared ended and that the further work of enlarging the camp, including necessary alterations, additions, and repairs, could not be required of the contractor under the terms of said contract of June 22, and that the action in having the additional work done under another contract was the proper one under the circumstances outlined above.

S. T. ANSELL,

*Acting Judge Advocate General.*

This is a true copy.

L. B. PERKINS,

*Captain Quartermaster Corps.*

Mr. McKENZIE. General, would it have been possible for the contracting firm to have evaded the clear intent of the so-called contract by a requisition of a new firm embodying practically the same members that were in the original?

Gen. MARSHALL. I do not think so. I do not know just from what angle you are talking. It was entirely possible for the same contractor to have another contract at the same place, but not for the same work.

Mr. McKENZIE. I have in mind Camp Lewis, where when the contractors got nearly up to the maximum fees, as I understand it, the work was not yet completed, they threw up the job and there was a new contract.

Gen. MARSHALL. Oh, no, sir; the amount of work they did far exceeded the maximum fee; at least 50 per cent more than the maximum fee.

Mr. McKENZIE. The question I had in mind was as to the completion; it does not make any difference how much they exceeded it.

Gen. MARSHALL. Oh, yes, sir; they completed the work laid out for them.

Mr. McKENZIE. Of course the Construction Division passed on that point?

Gen. MARSHALL. Yes, sir; we were very careful to have the local officer look over that feature of it, and I have no question but that some officer from the office in Washington confirmed that.

Mr. DOREMUS. General, just when, if you can tell us, was it definitely known what buildings and utilities would be needed in these National Army cantonments?

Gen. MARSHALL. The question of organization played a large part in that, and on just what date we got the organization from Europe, I do not recall. I think it was the latter part of July.

Mr. DOREMUS. You refer now to the military organization in France?

Gen. MARSHALL. Yes, sir; the organization into divisions, brigades, regiments, battalions, companies, and so forth. The unit of barracks was for a company, or a corresponding organization—a troop or battery. Under the tables of organization that existed at the outbreak of the war, the maximum size of the company, as I recall it, was 150 men, and we laid out our original lay-outs that were sent to every cantonment, on the basis of the two-story barracks for 150 men. Subsequently the reorganization of these tactical units that Gen. Pershing reported to this country called for 250 men to the company. This was while the places were right in the middle of their construction, and it called for a considerable reconsideration of what we had done so that the division could be accommodated in the proper relative locations to get the best results for training. That was one of the things that had been reached in the middle of the job and which the flexibility of the contract permitted to be handled without any call for extras from the contractor.

Another thing that happened was the question raised by the Surgeon General's office that we should limit the number of men in one dormitory to 35. That again led to a reconsideration of the type of barracks, and the final barrack that was adopted and used universally is the one we know familiarly as the 66-men barrack.

Mr. DOREMUS. Now, about what time was it definitely known what the permanent dimensions of these barracks would be?

Gen. MARSHALL. Why, what we had to do when that reorganization came about was to take the barracks that were already up, and either partition them off or give one outfit the second story and another outfit the first story, to make those barracks buildings fit the organization. We had to do that because the barracks were already up, and the layout was such that they had to go ahead with them. Just when we finished the plans for the 66-men barracks I do not recall; I suppose it was August.

Mr. DOREMUS. Can you tell us how soon after the general requirements were known the work of actual construction began?

Gen. MARSHALL. I would say that the work of actual construction began immediately upon the definite determination of the site where the cantonment was to be. Some of them, as you will note, started very much earlier than the others. Our planning, and our part of the work in the selection of sites, and our ordering of the material to be shipped to each place all went along concurrently. I did not believe that either would delay the other. I rather think that as each site was finally concluded, on the day we got the final conclusion as to the site, the constructing quartermasters, who were then in this city, took the train to go to the job. Our Material Division ordered a definite quantity of lumber and other materials shipped to the job; and a request for a contractor was made and completed. I think they all went along concurrently, and I do not believe that either one delayed the other. I think that as soon as the site was completed the situation was so organized that we acted that day.

Mr. DOREMUS. Can you tell the committee, General, how many men you had, how many laborers, with these various jobs, during the peak of construction?



Gen. MARSHALL. I am speaking from memory—427,000 is the number that sticks in my mind. Capt. Parrott has those records definitely; I think he has got them practically day by day, certainly week by week.

Mr. DOREMUS. What can you say as to the labor turnover during the time these camps and cantonments were being constructed?

Gen. MARSHALL. Well, it was tremendous. It runs in my mind that at Camp Upton—I think they had 35,000 men there, all told. That is the figure that runs in my mind, and I guess that is somewhere near right. The peak, I think, was 15,000, but I think the number of men they had on the job was 35,000.

Mr. CHANTLAND. By the "peak" you mean the number of men actually on the job at any one time?

Gen. MARSHALL. Yes, sir.

Mr. DOREMUS. General, it has been testified in these hearings a number of times, I think, that the nucleus of your force was a number of engineer officers, who were furnished to you from the Engineer Reserve Corps. I wish you would tell the committee just how many officers you did get for the construction of these cantonments, and where you got them.

Gen. MARSHALL. Well, I think, so far as we are concerned, the claims of the Chief Engineer as to that reflect one of the greatest credits we can have.

Mr. DOREMUS. Tell us about that.

Gen. MARSHALL. The work must have been good if they were willing to make the statement that apparently has been made, that they were the foundation for it.

The first engineer officer, so far as I know, that was with the Construction Division, was Maj Fordyce—May 26. Maj. Fordyce was a brother-in-law of Col. Stanley, of the Quartermaster Corps. Col. Stanley came to Gen. Littell and spoke about Maj. Fordyce, and spoke to me, too, and we took steps to get Maj. Fordyce to come in. Neither the Chief of Engineers nor his office had anything whatever to do with it, it being a matter of accident that he was an officer of the Engineer Reserve Corps. He was assigned as Constructing Quartermaster at Camp Pike, and had nothing whatever to do with the preliminary plans and methods of work under which we did the work.

The next officer that was called was Maj. E. K. Coe, on June 18. He was assigned as assistant to the constructing quartermaster at Camp Lee, Va. He had nothing whatever to do with the formulating of the methods that we followed in the division.

Col. Peter Junkersfeld arrived on June 14. Col. Junkersfeld was not selected through any agency of the Engineer Corps. He was suggested by Col. Whitson. Col. Whitson was then Maj. Whitson. We were looking around for a man of certain specified abilities, particularly with reference to utilities and the construction of them. Col. Junkersfeld was then in Chicago with the Chicago-Edison Co., I think, and he was telegraphed to and asked to come to Washington. He did come to Washington and have a conference with him, and he was detailed for duty on this work.

The only other two officers who reported in June were Capt. T. E. Rhoades and Capt. C. E. Wagner. I think Capt. Rhoades was as-

sistant to the constructing quartermaster at Camp Sherman, and Capt. Wagner—I do not know just where he was. So that up to the end of June there were only five officers of the Engineer Corps who were in any way connected with this work, so far as I know, and they were all reserve officers.

Then, in July, a number of others were obtained. They were obtained, generally speaking, I think, from the National Guard.

Now, I want to go back a little bit. In May Gen. Littell took a list of 32 Regular Army officers to the Chief of Staff and asked that they be detailed as constructing quartermasters. They were men we had selected from the Regular Army very carefully, who had been constructing quartermasters before. If I recall properly, none of these were Engineer officers. The Chief of Staff directed that those officers would not be available for construction work and directed Gen. Littell to get the men that were to serve as constructing quartermasters from civil life, which, of course, was a very considerable added burden to us at that time. So we were denied those 32 officers, although subsequently, from different department commanders, we did get a few Regular Army officers to act as constructing quartermasters.

Mr. DOREMUS. Did the Chief of Staff give you any reason at that time why it would be impossible for you to have these 32 officers?

Gen. MARSHALL. My understanding was that they would be needed in connection with the military side rather than the construction side, and that we could get from civil life men who could do the construction work, and there we must get them.

In July, 1917, there were 25 engineer officers assigned to construction work, principally as assistants at different places. Some of them—I think there were 11, and most of them from the National Guard, obtained from the Militia Bureau—were detailed as constructing quartermasters at a number of places.

Mr. MCKENZIE. They were reserve engineers, were they not?

Gen. MARSHALL. Reserve engineer officers; yes, sir. The only two of those that were in the Washington office were Maj. Abadie and one other, Maj. Denman, who both reported on July 19—and I believe Maj. Betts, too—yes; Maj. Betts reported on July 20.

Their work was, as I recall it, principally in connection with the National Guard camps. They were assigned to specific duties in connection with them, and of course the question of organization and method of doing it had already been determined before they reported. So that the idea that reserve engineer officers controlled the policy or the construction is—why, there is just simply nothing to it. There were 68 out of 1,500 all told—68 during the whole period, and we had 1,485 officers when the armistice was signed, and many of these engineer officers were not then with us.

Mr. MCKENZIE. General, I would like to ask you whether or not, in your judgment, the men commissioned in your division to assist you in this construction work would not have made very capable reserve engineers, commissioned in the Engineer Corps?

Gen. MARSHALL. Unquestionably. They were capable men. But the implication, if I may put an implication on that—it is a fact that the Engineer Corps did try to absorb the construction division during the period of the war, after the cantonment period. Please mark that “after the cantonment period.” It came to my ears—I do not

know how true it was—that it was the judgment of the Engineer 62Corps that the cantonments could not be constructed in that period, and therefore they did not want to have anything to do with it. That is the information that has come to me. Of course, that was music to my ears, you understand, but at the same time it was information that came to me—how authentic I do not know; I have no authentic proof of it.

The only collateral information I have is the fact that Mr. Metcalf and Mr. Fuller went to the Chief of Engineers to see what they could do toward getting Engineer officers of the Regular Establishment—of class A, I believe they classified them—and they stated the Chief of Engineers said he did not have enough for his own purposes and could not permit them, although he was very liberal in permitting us to use officers of other classes if they were on his roll. That was the situation. Then, after the cantonments had been built and the thing was a success, from that time on they wanted to absorb the construction.

Mr. MCKENZIE. General, you are a Regular Army officer?

Gen. MARSHALL. Yes, sir.

Mr. MCKENZIE. You have been in the Army for a good many years?

Gen. MARSHALL. Yes, sir.

Mr. MCKENZIE. Then if that statement is true—the rumors that you heard, that the Engineer Corps was somewhat jealous of the Construction Division—would not that have been simply an evidence of the ever-present jealousy between the various branches of the military service, and which is now being exhibited on the part of the Construction Division toward the Engineers?

Gen. MARSHALL. Well, that is one way of looking at it.

Mr. MCKENZIE. Is not that true?

Gen. MARSHALL. Yes, sir; that is one way of looking at it. I do not deny—I do deny jealousy in the common acceptance of that term, but I do not deny that there is some feeling on my part on account of the constant and uninterrupted efforts that were made by the Engineer Corps in the middle of the war when we were doing our work. Why in the world could not we be left alone? We were doing it. We were getting results. Why in the world could not we be let alone until after the war?

Mr. MCKENZIE. I can only answer that question—if you are asking me that question, General—that it seems to be a disease that attacks them whenever a matter is assigned to any particular branch of the military service. My experience in the Committee on Military Affairs has led me to the conclusion that the officers in every branch of the service feel that the entire responsibility of the conduct of the Military Establishment, in time of peace and more especially in time of war, devolved upon the shoulders of the officers in that particular branch, and that they are always out with an axe for the other fellow, whether it is the Infantry, the Cavalry, the Artillery, the Engineers, or whatever that branch of the service may be. I am sorry that is true, but I have been forced to that conclusion.

Gen. MARSHALL. I think your conclusion is pretty nearly right, Mr. McKenzie. I think it is, and I am very glad indeed to see the

question of the single list of officers being given a consideration, because I think it is going to be a great step toward removing that thing you have just spoken of.

I think it was rather the question of promotion as it existed than any other single thing.

Mr. DOREMUS. I have only one more question that I think of just now. I want to ask you, General, whether at any time you requested that some of these officers to whom you have referred be commissioned in the Engineer Corps for the purpose of assignment to your division?

Gen. MARSHALL. Yes, sir. When we were informed that no officer could be commissioned in the Quartermaster Corps, or certain corps, but that there were vacancies in the corresponding grades in the Engineer Corps, we called on the Chief of Engineers and asked him if he would permit their being commissioned in that corps, and he consented. He was very liberal on those lines; absolutely as liberal as anybody could be along those lines.

Mr. DOREMUS. And were they, as a matter of fact, commissioned in the Engineer Corps for the purpose of assignment to the Construction Division?

Gen. MARSHALL. Yes, sir.

Mr. DOREMUS. Is there any other statement, Gen. Marshall, that you would like to make to the committee?

Gen. MARSHALL. Yes; I do want to make several statements. Col. Sherrill, of the Engineer Corps, testified here. I read his testimony. I want to make a statement about it along two lines.

One of them is this. He stated directly the value of the Quartermaster Corps, having particular reference, I assume from the context, to the construction work. I think that any man who started out with that as a premise and found conclusions—that if his conclusions were as incorrect as his premise they are not worth much.

Second, he made a statement to the effect that in the surveying of these cantonments, the average for a party would be 4 miles a day, having particular reference at that time to Camp Upton, if my reading of the testimony in the typewritten copy is correct.

Mr. DOREMUS. Where, as I understand it, General, the site was covered with trees?

Gen. MARSHALL. Yes, sir; I was just coming to that. Any party that would make a mile a day in the surveying work necessary for the location of buildings and the location and grading of sewers and the other utilities was doing a tremendous job. That is a fact.

Mr. DOREMUS. Let me ask you another question right there, General. At the time we entered the war had the Engineer Corps of the Army ever done very much of this particular kind of construction work?

Gen. MARSHALL. Not to my knowledge. They had in some special cases. They constructed the Washington Barracks out here, for example. That is one outstanding case. They built some storehouses at seacoast posts. But generally speaking, the amount of work of that character that they did was very limited. All that work done for the Army was done by the Quartermaster Corps.

Mr. DOREMUS. As I understand it, the work of the Engineers of the Army was practically all done in connection with rivers and harbors and fortifications. Am I right about that?

Gen. MARSHALL. Why, some one has said that 75 per cent of their officers prior to the war were engaged upon that work. I have never checked that statement.

Mr. DOREMUS. And camp construction, under the regulations, and I assume under the law, was done by the Quartermaster General's Department.

Gen. MARSHALL. Yes, sir. Along that line, I would like to state this: Camp construction was only about one-third of the construction that the Construction Division had to do during the war. The construction of the cantonments was the spectacular thing, and the thing that was in the public eye. I suppose I am immodest, but I think we did that work speedily and with as much economy as could be exercised with that speed; but I think that some of the other work was favorably comparable with with it.

I want to get back to another statement, or the inference you might draw from another statement that Col. Sherrill made—the ease with which lumber would have been gotten onto these 16 jobs, the whereabouts of which we did not yet know; that the Engineer officers would have ordered 1,000,000 feet of lumber from Seattle, to be used at Camp Sherman, at Chillicothe, Ohio. He was using that as an example, and I take it he did not mean that that particular thing would have happened, because that lumber would not have gotten to Chillicothe until the first drafted men got there. We ordered lumber from the west coast—I think it was 60,000,000 feet—at the time when the empty cars were coming back, so as to utilize that transportation to a considerable extent. And it took us just about three months to get it to sections comparable to Chillicothe. But aside from that, with the quantities we had to use, 1,000,000 feet was not a drop in the bucket. These cantonments had 50,000,000 feet in one of them; 764,000,000 feet in the 16 of them. This lumber had to be gotten there in three months—over three-quarters of a billion feet of lumber.

That just simply shows that in the consideration of these things men who were outside of it, although they are technical men—it is so far beyond their conception of anything that has really come within their horizon that they are not in a position to give a well-considered opinion.

I have here a list of articles that we had to have. I would like to read some of them—46,000 water closets, 177,000 doors, 1,000,000 window sash, 38,000,000 feet of wall board, 200,000 kegs of nails, 378,000 barrels of cement, 1,000,00 feet of wood pipe, 2,676,000 feet of terra-cotta pipe, and so on.

Mr. DOREMUS. Would you like to put that in the record?

Gen. MARSHALL. Yes, sir. This is an analysis of some of the things—572,000 cots. That in itself was quite a little item.

(The statement submitted by the witness is here printed in full, as follows:)

*Quantities of principal materials used in the construction and equipment of National Army cantonments, June to November, 1917.*

Unit.	Lumber.	Doors.	Window sash.	Wall board.	Nails.	Cement.	Wood pipe.	Terra-cotta pipe.	Cast-iron pipe.
	<i>Ft.</i>	<i>No.</i>	<i>No.</i>	<i>Sq. ft.</i>	<i>Keps.</i>	<i>Bbls.</i>	<i>Ft.</i>	<i>Ft.</i>	<i>Ft.</i>
Custer.....	47,173,066	6,764	50,573	3,452,363	12,159	46,672	58,271	178,225	49,250
Devens.....	43,700,000	8,938	64,968	3,260,000	11,973	27,181	81,840	121,440	73,670
Dix.....	41,000,000	8,832	74,359	3,484,973	13,034	19,600	70,180	191,800	33,670
Funston.....	42,140,000	13,581	5,104	2,853,069	8,598	20,223	1,930	136,997	28,670
Gordon.....	48,334,833	12,441	62,347	343,000	15,038	19,596	13,130	194,419	72,490
Grant.....	48,440,562	13,254	88,893	3,300,000	13,286	20,964	53,900	151,800	33,078
Jackson.....	51,150,000	9,351	59,943	301,008	13,567	19,361	59,774	197,801	49,090
Lee.....	57,508,000	14,336	75,980	5,400,670	17,741	32,427	126,860	203,581	11,690
Lewis.....	52,956,256	12,893	58,715	512,172	9,950	12,555	124,798	105,341	429,442
Meade.....	51,759,600	12,167	73,052	3,811,000	12,526	22,245	114,000	249,000	20,674
Pike.....	52,500,000	12,237	72,490	598,890	12,055	25,324	123,412	148,368	112,164
Sherman.....	45,000,000	10,619	62,415	2,858,970	11,080	18,514	75,059	162,661	43,780
Travis.....	47,000,000	11,081	64,264	473,174	10,797	32,915	.....	148,700	73,690
Upton.....	51,000,000	11,583	80,413	3,560,000	16,000	18,667	73,612	165,878	45,812
Subtotal.....	679,662,317	158,067	893,515	34,210,789	177,804	336,244	976,766	2,379,071	2,083,012
One-eighth added.....	84,957,500	19,758	111,689	4,276,348	22,225	42,030	122,095	297,363	261,620
Total.....	764,619,817	177,825	1,005,204	38,487,137	200,029	378,274	1,098,861	2,676,434	2,344,632

Unit.	Steel supply pipe.	Motors.	Transformers.	Wire, including inside wiring.	Pumps.	Tanks, wood, and steel.	Tanks, wood and steel.	Radiation.	Cast-iron storage.
	<i>Ft.</i>	<i>No.</i>	<i>No.</i>	<i>Mile.</i>	<i>No.</i>	<i>No.</i>	<i>Capacity.</i>	<i>Sq. ft.</i>	<i>No.</i>
Custer.....	575,788	30	113	515	23	16	874,000	504,838	1,022
Devens.....	665,280	5	154	422	6	4	400,000	600,000	440
Dix.....	227,725	11	91	477	15	8	800,000	145,334	1,170
Funston.....	238,947	21	127	537	72	22	.....	176,291	1,307
Gordon.....	255,724	16	131	375	10	20	1,007,500	45,000	1,382
Grant.....	256,600	18	128	350	10	2	550,000	540,000	1,390
Jackson.....	459,385	20	135	363	4	6	60,000	114,615	1,162
Lee.....	73,520	17	152	488	5	7	364,000	333,161	1,162
Lewis.....	14,193	6	123	265	16	155	.....	.....	1,162
Meade.....	581,022	12	161	410	53	20	495,976	149,089	1,392
Pike.....	351,125	36	106	563	37	38	1,675,000	147,244	1,162
Sherman.....	50,000	57	160	350	18	51	500,000	175,291	1,162
Travis.....	383,580	15	93	306	4	4	22,400	123,336	1,162
Upton.....	517,709	31	78	611	37	5	220,000	328,971	1,162
Subtotal.....	4,650,598	295	1,752	6,032	310	359	7,568,870	3,702,270	19,500
One-eighth added.....	581,324	37	219	754	39	44	946,110	433,764	1,460
Total.....	5,231,922	332	1,971	6,786	349	402	8,514,988	4,136,034	20,960

Unit.	Cots.	Hose carts.	Fire engines.	Fire extinguishers.	Fire hose.	Fire hydrants.	Hand-pump tanks.	Fire pails.	Cast-iron pipe.
	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Feet.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>
Custer.....	41,000	34	6	324	23,036	210	670	7,750	.....
Devens.....	41,973	35	6	280	23,000	221	170	9,000	.....
Dix.....	38,430	60	3	520	24,500	282	575	17,246	.....
Funston.....	38,521	41	5	294	16,000	282	655	11,792	.....
Gordon.....	1,500	30	4	100	21,000	225	.....	.....	.....
Grant.....	45,800	29	6	409	20,500	262	560	17,941	.....
Jackson.....	44,069	32	6	96	22,000	243	565	7,173	.....
Lee.....	19,700	34	6	300	23,000	303	655	9,400	.....
Lewis.....	49,210	39	6	302	30,650	244	870	10,665	.....
Meade.....	46,300	32	6	100	21,000	274	500	10,000	.....
Pike.....	43,500	28	6	380	13,000	223	750	8,338	.....
Sherman.....	40,186	30	6	272	5,000	218	650	10,000	.....
Travis.....	49,150	32	5	110	20,500	203	800	9,792	.....
Upton.....	9,164	.....	.....	62	1,110	243	.....	2,499	.....
Subtotal.....	508,503	456	71	3,549	264,296	3,433	7,420	132,354	.....
One-eighth added.....	63,583	57	9	441	33,037	429	928	16,544	.....
Total.....	572,086	513	80	3,993	297,333	3,862	8,348	148,898	9

1 One-eighth added for missing reports of Dodge and Taylor.

*Quantities of principal materials used in the construction and equipment of National Army cantonments, June to November, 1917—Continued.*

Unit.	Kitchen stoves and ranges.	Incln- erators.	Shower heads.	Water- closet bowls.	Urinal troughs and wash- basins.	Tank heaters and tanks.	Heating boilers.	Room heaters.	Refrig- era- tors.
	Number.	Number.	Number.	Number.	Number.	Number.	Number.	Number.	Number.
Custer.....	728	1	2,003	2,494	688	409	419	964	322
Detens.....	289	1	2,600	2,700	1,275	650	170	471	206
Dix.....	915	.....	2,673	3,252	849	794	137	1,945	456
Fannston.....	671	.....	2,800	3,500	900	806	96	585	405
Gordon.....	1,183	1	2,486	3,218	431	1,130	48	1,069	.....
Grant.....	563	1	3,241	4,092	922	522	106	871	353
Jackson.....	643	1	2,740	3,561	711	1,030	283	2,241	351
Lee.....	421	1	3,177	2,051	890	702	175	1,272	.....
Lewis.....	768	1	108	464	696	241	233	1,057	427
Made.....	511	1	2,499	3,381	1,042	380	128	1,275	372
Pike.....	353	1	2,487	3,491	1,554	770	460	1,135	344
Sherman.....	516	1	2,400	4,500	850	971	185	1,150	391
Travis.....	658	1	2,635	3,569	350	808	143	1,249	465
Upton.....	800	1	2,081	1,105	751	688	125	.....	437
Subtotal.....	9,019	13	33,930	41,378	11,811	9,901	2,708	15,284	4,529
One-eighth added <sup>1</sup> .....	1,127	2	4,241	5,172	1,476	1,237	338	1,910	546
Total.....	10,146	15	38,171	46,550	13,287	11,138	3,046	17,194	5,065

<sup>1</sup> One-eighth added for missing reports of Dodge and Taylor.

Compiled January 10, 1920, by W. J. Fagan from reports requested on November 16, 1917, and submitted from December 31, 1917, to February 21, 1918.

Mr. McKENZIE. Right on that point, General, is it not a fact that there were men wearing their shoes out here in Washington running from one Congressman's office to another begging them for God's sake to get busy and help them sell some cots to the Government?

Gen. MARSHALL. Yes, sir. And I want to say for the Congressmen that they were the most considerate people in the world at that time.

Mr. McKENZIE. So, there was not really much difficulty in getting cots?

Gen. MARSHALL. Yes, sir; there was. To get those onto the job and in use by that time—the manufacturing capacity of the country was such that it looked for a while that it could not be done, and we almost did not get them. It was the same way with these other things. They did not think then they were all going to be in cantonments. Now, had they all been in cantonments—take the same item I mentioned before—90,000 water-closets. We had to have them inside of two months in order to have them in place inside of three months. I tell you, we were beset by such problems, that even now when I look back on it, I do not see how in the world we got away with it.

I was at my desk by 7.30 in the morning. I left there about 12 o'clock at night. I remember one night I left at 4, and I was back at 7.30 the next morning. Everybody was doing the same.

Take the single matter of filing these papers that were coming in. Well, it was a stupendous job, and it is a wonder that we have any record at all that we can find so that we can answer you gentlemen. The records of one place filled four or five carloads. When you come to ask a particular question about that place, how are we going to get it out of all that mass of stuff? It is a difficult thing.

Mr. McKENZIE. Fortunately, though, General, we are not so much interested in those little details.

Gen. MARSHALL. That is true, but a lot of people are—people who are making claims here.

Mr. DOREMUS. I do not agree with you that these are all little details.

Gen. MARSHALL. It was all of those problems. The labor problem, the criticism that was coming—construction work is the one target that everybody sees. Every woman who had a son drafted was going to look at the place where her boy was going to sleep and eat, and that was a consideration that was going to make you pause. And the question of designing these same buildings was really a momentous question. It was no light question that was to be dismissed in a few minutes, because that is just what was before us. If a hue and cry went up from the women of the country that their boys were not being properly cared for, the effect it would have on the morale of the men would have been tremendous. That was only one of the things that we had to have in mind. Now, as to that question as to how they were handled from a sanitary point of view. There were no intestinal diseases in any amount whatever that occurred in these camps and cantonments. The deaths during the Spanish-American War from May 1 to September 30, 1898, from disease, were 22.39, and from all causes 25.35 per thousand. During the World War, 1917-18, there were 15.86 from disease and 32.25 from all causes, per thousand. Of the deaths from disease, more than 80 per cent were from influenza. That leaves only about 4 per thousand in 18 or 19 months of the war, as against a period of some 6 months in 1898, when it was 22 per thousand.

Mr. McKENZIE. General, if you will allow me to interject this. I am certainly proud of the magnificent record made, so far as the health of the men in our great Army was concerned. I think it is remarkable, and something we can be proud of as a Nation. But you do not attribute any of that, do you, to the fact that these buildings were put up on the cost-plus system, or by the Construction Division, simply because it was the Construction Corps?

Gen. MARSHALL. No, sir; whatever means put those buildings and systems there in the way they were is entitled to that credit, whatever that means might be.

Mr. McKENZIE. You permit the Medical Corps to share that credit?

Gen. MARSHALL. Oh, the Medical Corps was perfectly wonderful: there is not any question about that. They cooperated and collaborated with us all through.

Mr. McKENZIE. In fact, they told you what to do, didn't they?

Gen. MARSHALL. No; they did not. They told us the result they wanted, and we did it. They told us they wanted pure water at this place, and we provided the means for obtaining that water and purifying it.

Mr. McKENZIE. Who analyzed the water; the men in the Sanitary Corps?

Gen. MARSHALL. In some instances. In some instances it was handled by the Sanitary Corps. But the means of eradicating the trouble that was there was entirely one of design on our part, generally speaking.



Mr. DOREMUS. Of what effect would have been the work of the Medical Corps of the Army if the camps where the soldiers were housed had not been properly equipped with water, sewer systems, and other sanitary requirements?

Gen. MARSHALL. Why, that would revert back to the situation we found ourselves in in 1898. Of course, the inoculation for typhoid fever is effective to a certain percentage, but the intestinal diseases are not so well protected against, and there is no question about the part that played in it. Equally, there is no question about the part that these military measures played in it. There is no desire on my part, or on the part of any of my people, so far as I know, to belittle the work of the Medical Corps, because it was of the highest order.

Mr. DOREMUS. I think everybody is agreed on that.

Gen. MARSHALL. Everybody is agreed on that, but, at the same time, as far as our part of it went in collaboration with them, we being the designers, they pointed out the standards to be attained, we attained those standards.

Mr. McKENZIE. You dug the wells, put up the buildings, or saw that they were put up.

Gen. MARSHALL. Put up the buildings, put up the necessary purifications, and whatever else was necessary.

Mr. DOREMUS. Does that complete your statement, General, or have you something else?

Gen. MARSHALL. There were several things I wanted to bring to your attention, showing the spirit of the things that were written at that time. There is an editorial in the Engineering News Record of Thursday, May 16, 1918. I want to read this as occurring during the period of the war. It is entitled "The Cantonment Division 'made good.'" [Reading:]

We hear much of Government inefficiency. Some time ago the papers were full of comment on the lagging of the Ordnance Department program, and now we are realizing that the aircraft program has failed miserably. But when these instances come to mind, do we remember that the Cantonment Division "made good?" It got an order to build 16 cities in three months, and it did it. There has been criticism of inefficiency, of overpayment, of labor. But the chief consideration was speed; cost was secondary. The cantonments were delivered on time.

Then there is another one, entitled, "Reason for Construction Speed":

One naturally inquires as to the reason for speed—which here is efficiency—in cantonment construction, whereas ordnance and aircraft have suffered delay. There are many reasons, but the primary one is that the officers of the Cantonment Division (now called the Construction Division) understood production. The Regular Army officers in charge were open-minded and gave full rein and hearty backing to able construction men from civil life who were accustomed to "putting things through." In the production of aircraft and ordnance much of the difficulty has been due to insistence upon getting the very best. The production man will content himself with something less than perfection, but will make deliveries on schedule. The production idea must be paramount in such a business as war. Any gun that will kill is better than no gun when the burglar is coming through the window.

Mr. McKENZIE. General, I want to ask you one or two questions about that. You are pretty fair in your statements in connection with this investigation. That editorial states that the Cantonment

Division got orders to construct 16 cities in three months, and they delivered the goods?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. Now, you would not want to have it appear in the record as a statement coming from you that the 16 cantonments for the accommodation of 1,000,000 men—at least 40,000 to 45,000 men to each one of those cantonments—were completed in three months? That is not your understanding of it?

Gen. MARSHALL. No, sir. They were completed up to the point of the demand made by the draft people.

Mr. McKENZIE. In other words, they delivered the goods, but they delivered them in sections?

Gen. MARSHALL. Delivered them as called for.

Mr. McKENZIE. You had on the 1st of September sufficient shelter to take care of the first 250,000 men called by the draft?

Gen. MARSHALL. If that was the number.

Mr. McKENZIE. And you went right on with that construction throughout the winter months, and it was in 1918 when they were finally completed, and then the enlargements were put in later on!

Gen. MARSHALL. Well, the majority of them were absolutely completed, except sweeping up, in October. One or two of them hung over until December, but as far as the shelter of troops was concerned, I think they were ready in October.

Mr. McKENZIE. The testimony before this committee, and it has not been contradicted, is that at Camp Sherman the sick boys in the hospital in November and December were suffering and blue from cold; that the plumbers absolutely went into little rooms there and kept themselves warm with their torches, and shot craps and loafed on the job while the boys were suffering, perhaps dying, some of them, as a result of that condition. Now, that was in November and December—I am not criticising you for offering that statement in evidence, but the man who wrote that was simply generalizing!

Gen. MARSHALL. Absolutely.

Mr. McKENZIE. And was not familiar with the facts. Is not that true?

Gen. MARSHALL. I know he was evidently generalizing. How familiar he was with the facts I do not know.

Mr. McKENZIE. It was a eulogy, and you are entitled to some commendation; I am not saying you are not, but then we ought to keep somewhere within the bounds of what actually did happen.

Gen. MARSHALL. We are glad, and willing, and anxious to present the case just exactly as it is, and let the verdict be founded on the facts, provided they are the facts. We have absolutely nothing to conceal. That there was some danger there is no question. There was some; and we could not help it, but we did our best to prevent it.

Mr. McKENZIE. Before asking you any questions, General, I have copies here of three telegrams in connection with that matter at Camp Lewis. I would like to have these just printed in the record in connection with statements made. It is not so material, only it is explanatory of the situation.

(The telegrams referred to are here printed in full, as follows:)

CAMP LEWIS, WASH., November 10, 1917.

QUARTERMASTER GENERAL OF THE ARMY,  
Washington.

Compliance letter No. 652 general October 29, report name of contractor selected to handle necessary construction in future. The Construction Co., Tacoma, Wash. Stockholders, D. I. Cornell, E. C. Cornell, A. F. Albertson, and Edward Sampson. Cornell Bros., members above firm, had sole charge construction buildings under constructing quartermaster; Messrs. Albertson and Sampson, charge construction hydraulic and sewer systems. Names of other contractors: J. E. Bonnell, of Tacoma, and Porter Bros., of Spokane. Col. Stone, construction quartermaster, concurs in selection of Construction Co., of Tacoma. Confirmation and other information by mail.

Como.

NOVEMBER 29, 1917.

CONSTRUCTING QUARTERMASTER,  
Camp Lewis, American Lake, Wash.

Effective December 10 you are directed to stop all construction work being performed by the general contractor and turn the same over to the camp quartermaster with all plans and instructions for completion under his direction. Pay all accounts available until November 30 and transfer any balance on hand to camp quartermaster. Retain only necessary office force of general contractor to handle material shipped to him and not yet received and close out paper work, thus reducing heavy overhead expense to a minimum. The road work if not completed should be finished by the present contractor, but transferred on above date to camp quartermaster. Notify this office in detail by letter the work turned over on the above date for completion and estimated length of time to complete each item. This order supersedes all previous orders as to work to be completed under your direction and camp quartermaster has been notified of this action.

LITTELL,  
In Charge of Cantonment Construction.

CAMP LEWIS, WASH., November 30, 1917.

LITTELL,  
Cantonment Division, Washington.

Your telegram November 29 stated that orders were issued under which construction not finished will be completed by camp quartermaster; the camp quartermaster informs me he does not feel authorized under your telegram to me to take over this work unless he receives orders from you. Please wire him at once to take over all my unfinished construction work so I can close out the Hurley Mason contracts and accounts and be able to leave here by December 15 as ordered. There are a number of small details connected with the Hurley Mason contract which are not finished due to the nonarrival of material, such as heaters, fittings, some window glass, etc. Some of this material may not arrive for a month. I therefore deem it essential that the Hurley Mason contract be terminated at once and that the uncompleted work be finished by the camp quartermaster under his contract with the Construction Co., of Tacoma. Request orders be issued to the camp quartermaster at once.

STONE.

Mr. DOREMUS. Those are from the official files?

Mr. MCKENZIE. Oh, yes. There has been something said with regard to the procurement and allotment of material in your testimony, and I want to ask you about that procurement, how it was accomplished from Washington, by whom, and what provision was made for the obtaining of such supplies as were not procured or shipped through your division, as to the price and method of obtaining?

Gen. MARSHALL. The things that were not ordered from Washington would be procured by the contractor, subject to the approval as to price of the constructing quartermaster.

Mr. McKENZIE. Did you give the contractor carte blanche to go out and buy material at any and all prices that he might desire to purchase at?

Gen. MARSHALL. No, sir.

Mr. McKENZIE. Take lumber. As I understand it, you had a lumber organization here in the city of Washington?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. Composed of men representing the big lumber interests of the country?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. Take Camp Sherman, for an illustration. The lumber committee of the Council of National Defense were to make the allotment of lumber for Camp Sherman, as I understand it?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. And direct from what market it would be shipped, and the price was fixed by the Construction Division or by the committee on lumber here in Washington, and the grade of the lumber was fixed?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. Now, did you put any restriction on the contractor as to the price of lumber that he should buy from local dealers?

Gen. MARSHALL. Why, that price during that period, if I recall it correctly, was subject to the surveillance of the constructing quartermaster, who would, generally speaking, follow the market price of the locality. Under the practice the price that the contractor was to pay for lumber must have the approval of the constructing quartermaster?

Mr. McKENZIE. At the location?

Gen. MARSHALL. At the location, yes, sir; wherever he was to purchase in the open market. And they had general authority to purchase in the open market under certain limitations if they did not have the material on hand to keep the job going.

Mr. McKENZIE. Can you furnish us with a sort of estimate of the materials that were really procured through Washington, and what was purchased by the contractors—in percentage?

Gen. MARSHALL. I think so; yes, sir.

Mr. McKENZIE. We do not care to have the dollars and cents, but the percentage.

Gen. MARSHALL. [after conferring with Capt. Parrott]. About 72 per cent we supplied from Washington, of the lumber.

Mr. McKENZIE. Is this 72 per cent that you have named for lumber, General, in your judgment indicative of the amount of other essential commodities that were purchased through the central bureau?

Gen. MARSHALL. In my judgment it should be indicative, although I should think that the plumbing perhaps was not so large a percentage; but generally speaking I should think it would be.

(Thereupon, at 12.50 o'clock p. m., a recess was taken until 2 o'clock p. m.)

## AFTER RECESS.

**TESTIMONY OF BRIG. GEN. ROBERT C. MARSHALL—Resumed.**

Mr. McKENZIE. General, I want to ask you whether or not subsequent to the completion of the 16 large cantonments you took any steps to have the contract under which those cantonments were constructed revised or changed in any way?

Gen. MARSHALL. Gen. Littell was in charge of the Construction Division at that time. It was not until February, 1918, that I was in charge of the Construction Division, and early thereafter I took the steps to convene a number of men, who occupied a certain official positions in the technical societies and in contractors' associations, and the president of the Chamber of Commerce of the United States, and a representative of labor, to consider and report upon the contract. Their report is under date of March 15, 1918. The members of that committee were:

Prof. A. M. Talbot, president American Society of Civil Engineers, Urbana, Ill.; John Lawrence Mauran, president American Institute of Architects, St. Louis, Mo.; John R. Alpine, general president United Association of Plumbers and Steam Fitters, representing the American Federation of Labor; Frederick L. Cranford, president General Contractors' Association of New York, Brooklyn, N. Y.; Charles T. Main, president American Society of Mechanical Engineers, Boston, Mass.; Oscar A. Reum, representative of the president of the Building Construction Employers' Association, Chicago, Ill.; R. G. Rhett, president of the Chamber of Commerce, United States of America, Charleston, S. C.; E. W. Rice, president of the American Institute of Electrical Engineers, Schenectady, N. Y.

That committee met, considered not only this form of contract but examined a considerable number of comparisons with reference to other forms. They were all, of course, experienced men in construction work; or, not quite all, as I do not know what experience Mr. Rhett had in construction work, but he was the president of the Chamber of Commerce of the United States at that time. These men were all selected because they occupied official positions as stated, and they reported upon a form of contract. Their report is Appendix K of the annual report, 1918, of the Chief of the Construction Division.

I would like to read the closing paragraph of that report.

Mr. McKENZIE. All right; you may do so.

Gen. MARSHALL (reading):

Having advised therefore that these various forms be not used, and for reasons stated, the committee unanimously concurs in advocating what may be termed the cost plus a sliding scale fee scheme of contract for both general contracts and subcontracts. In its general application it enjoys the same confidence in the building world as to the equities as does the lump-sum contract, as is evidenced by its very extensive use. Its essential features are its applicability to projects great and small—its extreme flexibility with automatic adjustment of all variations in plan and scope. Under its terms the rates of pay for labor are known to be more equitable than under other methods—it requires for its successful application a painstaking review of the records, and standing of contractors just as is now made under existing methods to

insure the selection of an organization which measures up to the requirements of the contemplated project but without working any hardship, since no one can escape the axiom that in the final analysis each job can go only to one contractor. The committee believes that one of the objections charged to this form of contract is that it encourages extravagance and holds open temptations to increase costs because such increase is accompanied by increased compensation.

The general form of contract now in use by the Cantonment Division, in which the percentage decreases as the cost increases, and is broken by fixed fees at intervals, seems calculated to effectually check, if not prevent, this tendency. Moreover, under the contract proposed the Government retains the right to control the prices of most materials and of labor. Under these circumstances it does not seem to the committee that such an objection would have any force in relation to this form of contract. No reasonable objection can be pointed out by anyone possessing a full understanding of its equitable operation in practice, and finally this scheme appeals to the committee as possessing one qualification which must commend it to all thinking men—it permits starting actual work weeks and even months before the details are completely worked out and delineated, and permits the Government to push the job at any speed it may elect, changing at will its plan and scope, but paying only what the work actually costs plus a fee which is so reasonable as to be above the reach of fair-minded criticism.

The committee therefore advises for emergency construction work by the Cantonment Division the scheme of contract known as "cost of the work plus a sliding scale percentage with a maximum upset fee."

These are the closing remarks of that committee. In the earlier part of their report they make reference to several forms of contract that might be used.

MR. MCKENZIE. Gen. Marshall, what was your purpose in inviting those men to consider the matter?

GEN. MARSHALL. There was some public opinion at that time, principally as expressed by members of Congress at the different hearings and on the floor, that there was objection to this form of contract, so that my thought was that the Government was entitled to the best advice that the country could afford on the subject, and therefore my mind sought men who were experienced in this kind of work. Instead of picking individuals, because in that way I might pick individuals who would favor my method of doing it, I laid out a plan that would get the presidents of these societies—and I did not know at the time who the individuals were, except that I knew who Mr. Reum was, but as to the others, I was not cognizant of who the individuals were. I knew who the president of the Chamber of Commerce of the United States was, but I did not know his views with respect to this matter. At any rate, that is the way the committee happened to be selected.

MR. MCKENZIE. What do you say about that form of contract being more equitable to labor; what do they mean by that?

GEN. MARSHALL. Well, it meant, I think, that on a lump-sum form of contract, under the conditions as they existed, a contractor would put in his bid under certain prevailing labor conditions, and as the war progressed I think the thought was in their minds that conditions affecting labor would change from time to time, and that under the other forms of contract an equitable change of conditions could not be made without recontracting. I think that was possibly what was in their minds, although, of course, I can not speak for them.

MR. MCKENZIE. Do you know what they really did mean by the use of that expression?

GEN. MARSHALL. Well, I can only say that I believe that to be the case, what I have stated; and that is what I would have meant.

Mr. McKENZIE. Taking your view of it, of course the equity would all be in favor of labor and against the Government, wouldn't it?

Gen. MARSHALL. Well, I think where equity is concerned it means that it is mutual. I think the term "equity" carries that very idea.

Mr. McKENZIE. Yes; but in practice under this system that is what would be the result, wouldn't it?

Gen. MARSHALL. Well, labor certainly got raises in pay, if that is what you mean.

Mr. McKENZIE. Yes.

Gen. MARSHALL. I have already stated that. I am already perfectly clear in my mind on that subject, but I think any other condition would have permitted a thing like that. I think any provision that a contractor bids on, such as, subject to change in labor rates, would produce the same situation. I do not think that situation would have made any difference as to this contract.

Mr. McKENZIE. I want to ask you in relation to the following statement, Gen. Marshall, and to get your opinion on it:

The general form of contract now in use by the Cantonment Division, in which the percentage decreases as the cost increases and is broken by fixed fees at intervals, seems calculated to effectually check, if not prevent, this tendency.

That has a tendency, of course, to make the job cost more than it would otherwise cost under another system. What do you think about that sort of statement?

Gen. MARSHALL. Well, I think that statement—

Mr. McKENZIE (interposing). Do you consider that sound?

Gen. MARSHALL. Yes, sir; I think that sound. I think the view they expressed there in connection with it is sound. You see, an upset fee was fixed on the basis of the estimate, and that was the best estimate we could make of the job. In the upset fee an attempt was made to fix it so that it would be reached, so as to take away that element.

Mr. McKENZIE. Isn't it a fact that the maximum fee of \$250,000 was supposed to be large enough to cover the percentage on the cost of construction of the original cantonment as originally planned in accordance with the percentages fixed in the contract; that is a fact, isn't it?

Gen. MARSHALL. If I get your meaning correctly, yes. That maximum fee would be reached, as the amount of construction work was sufficient to cause the Government to reach that maximum fee, yes; at the percentages named in the contract.

Mr. McKENZIE. Looking at it simply from the human standpoint only, until the contractor had reached that maximum, until the cost of the project brought it up to the maximum fee provided, \$250,000, of course, there would be no incentive to save except his desire to be on the square with the Government; isn't that true?

Gen. MARSHALL. That comes into this, Mr. McKENZIE, just as it comes into all the human relationships.

Mr. McKENZIE. I understand, but—

Gen. MARSHALL (interposing). It comes into the very idea of the selection of the men who were to do it. For example, had there been a different class of men from civil life around us I dare say we would not have taken their advice as freely as we did. But I can apprehend no better men than those who were around us at that time lending

their services to the Government, such as Mr. Metcalf and Mr. Fuller. When men of that type and character came to you they begot in you confidence.

Mr. McKENZIE. They were not doing the work, though?

Gen. MARSHALL. They were doing a tremendous work.

Mr. McKENZIE. They were not building the projects?

Gen. MARSHALL. When you place reliance on their judgment therein comes your ability to administer the work. If their judgment was good you succeeded, and if their judgment was bad you failed. That is the whole idea of human relationship.

Mr. McKENZIE. Of course, in human experience we have learned, at least in the matter of execution of contracts, that one party guards himself against the other. In other words, both parties try to guard and protect themselves against each other. Now, the point I am getting at is that there would be really no human incentive, other than the simple one that a man was a good man and wanted to be on the square, for it did not make a cent's difference to him financially whether there was extravagance or economy——

Gen. MARSHALL (interposing). Yes; it did.

Mr. McKENZIE (continuing). While he was getting up to his maximum fee?

Gen. MARSHALL. Oh, yes.

Mr. McKENZIE. He did not get any benefit?

Gen. MARSHALL. You are speaking of the circumscription of one contract. If you confine yourself to the point that that man is going to die the minute his contract is over and never do any more work in this world, then your supposition is correct. But he has a reputation to maintain.

Mr. McKENZIE. No; I am not criticizing the contract, but thinking of him as a man, like we are.

Gen. MARSHALL. Even as you and I.

Mr. McKENZIE. Yes; an ordinary human being. We are all swayed more or less by our own personal interests and watch the things that will inure to our benefit and are apt to forget or overlook things that are more particularly of interest to other people.

Gen. MARSHALL. Upon that premise I will agree with you.

Mr. McKENZIE. Now, that gets up to the maximum fee.

Gen. MARSHALL. Yes.

Mr. McKENZIE. Getting back to this statement, that the cost of the project has reached the point where the contractor will receive his maximum fee, when you get beyond that point what incentive is there for the contractor to save or economize?

Gen. MARSHALL. Well, it is just the same incentive that the great contracting world has to-day, in that most all the work that is done to-day of large character is done on the cost-plus basis. It is exactly the same incentive that inures to that. It is the incentive to the human being to so guard and conduct himself that he will be again in a position where he can get some more of this money.

Mr. McKENZIE. If you had had a provision in that contract that provided if the contractor completed the work within a certain limit of cost he should receive an additional fee, that would have been an incentive to economy, wouldn't it?

Gen. MARSHALL. Well, that abstractly, taken by itself, would be an incentive to economy, but the conditions surrounding it would



be these: That every time there was a change made for any reason you would have to recontract; every time a change required a new design, a new condition of construction, you would have to recontract. It would be in the same class as extras under a contract, which this contract avoids.

Mr. McKENZIE. He would get his percentage on that, of course?

Gen. MARSHALL. Yes; but I say you would have to recontract. When it came to a question of redesign, or any change whatever, you would have to go through the practical process of recontracting.

Mr. McKENZIE. But as a practical proposition, it would have been very effective, wouldn't it?

Gen. MARSHALL. Well, I do not know whether it would or not. I do not believe it would. I think there would have been so many questions of interpretation as to whether this was included in the original contract, and attempts to get us to say it was not included, that there could have been charges of collusion between him and every officer on the job—that he was excluding this so his job would run at less cost, and that this little piece was extra; that he did not want to lay this thousand feet of sewer, because without doing so it would be a smaller cost, or that he should get so much between what it cost and what it ought to have cost him. There are so many pros and cons that it is difficult to prognosticate what would happen, and you may only judge whether we would now be investigating a question as to whether that contract was made to cost more money so that he could get more fee.

Mr. McKENZIE. As a practical proposition you will concede the effect on a contractor of giving him a bonus for keeping within a certain estimate or penalizing him if he goes beyond it; those affect him directly?

Gen. MARSHALL. If you have the actual time necessary to deliberately make the changes so clear that there can be no reasonable doubt as to where he started and where he stopped; yes.

Mr. McKENZIE. But the contract under which you were operating did not contain those conditions?

Gen. MARSHALL. No, sir; and we had no plans upon which such a proposition could be properly made. We had no plans upon which the bogey could be set up. I believe that that question was considered by this committee, too, in addition to the other committee. I believe it was.

Mr. McKENZIE. I have a letter here that was written by Capt. Wessen, who was employed by this committee for some time, and with whom you are acquainted, and who is now holding a position with the W. T. Rawleigh Medical Co., at Freeport, Ill. In this letter he states that they have some work under construction, and he uses this language:

I have had to do some work on a contract for the new Minneapolis plant. We asked cost-plus men to bid, or rather to estimate. The lowest estimate we got was \$150,000. From the lump-summers, who, thank heavens, still exist despite the assertion of our friends, we got a bid of \$80,000.

Now, I am not offering that as evidence in any particular, only to direct your attention to the question I have in mind. Was there any tendency, Gen. Marshall, in making up the estimates for this work to overestimate or to make the estimate very liberal? That is why I read that.

Gen. MARSHALL. Our estimates were liberal from the point of view of the total cost of the job. But when we came to take the amount upon which we were going to base the fee for the contract we held that estimate down to a fair amount.

Mr. McKENZIE. Now, Gen. Marshall, I want to ask you whether or not since you have been in charge of the Construction Division you have let any lump-sum contracts at all?

Gen. MARSHALL. Oh, yes, sir.

Mr. McKENZIE. You have?

Gen. MARSHALL. Oh, yes, sir; a good many.

Mr. McKENZIE. How did you get along with them?

Gen. MARSHALL. We are getting along very well with them.

Mr. McKENZIE. And is the work being done economically as far as the Government is concerned?

Gen. MARSHALL. I will say that the cost of it on our estimate is running pretty nearly the same. Some of our big jobs on cost plus are running less per cubic foot, but our jobs under the lump sum are rather small as compared with some of the other jobs, on which economies could have been effected.

Mr. McKENZIE. What jobs have you in mind?

Gen. MARSHALL. We had three jobs that I think were lump-sum jobs. We let a job up on Staten Island for an aviation coast defense field. That bid was very satisfactory, and it ran pretty nearly what our estimates were. I have just about 35 on my desk now but can not pick them out in my mind to save my life.

Mr. McKENZIE. Well, we will pass that. Are you letting these contracts now on a lump-sum basis due to the fact that the Secretary of War has declared the emergency past and that you are now working under the peace-time law?

Gen. MARSHALL. Immediately after the armistice we took the position that we should get back to the laws of before the war just as quickly as possible; that the laws under which we were working were intended for war purposes and not for after-armistice purposes.

Mr. McKENZIE. Did you let any lump-sum contracts during the war?

Gen. MARSHALL. I think only one. The only one I can recall was for a bridge at Fort Riley, which we let at \$40,000, and which cost the contractor about \$60,000.

Mr. McKENZIE. The Government won out?

Gen. MARSHALL. The contractor lost a lot. I do not think there was any equity there, and from that point of view the Government made money.

Mr. McKENZIE. There was submitted to our subcommittee some time ago an enormous volume containing a report of the board of review.

Gen. MARSHALL. Yes, sir; and that is one of the things I want to talk about that I forgot.

Mr. McKENZIE. Did you assemble that board of review or ask those men to do that work?

Gen. MARSHALL. No, sir; those men were selected under the instructions of the Assistant Secretary of War by various people. I suppose. Mr. Davies was the only man I had known before.

Mr. McKENZIE. Did you suggest the names, or the character of men, rather?

Gen. MARSHALL. We suggested the character of men, and I expect some of our people offered a list of names to the Assistant Secretary. Personally, I did not, nor do I think I offered any name to him.

Mr. McKENZIE. Do you know the officer in your division or corps who suggested them?

Gen. MARSHALL. I think he consulted with Col. Junkersfeld about who should be selected, at some length. Whether he accepted Col. Junkersfeld's names or not I do not know. The only ones I knew were, Mr. Davies, who had been here with the accountants—he was the president of the American Institute of Accountants, and—

Mr. McKENZIE (interposing). Will you just tell us for the benefit of the record and the committee just how that was brought about? Why was that done; what was the necessity for it?

Gen. MARSHALL. It emanated in the Assistant Secretary of War's office. It did not emanate in my office. This is my picture of the situation: That he conceived, as I have frequently stated, that construction work is one of the most vulnerable things you can conduct. It has been so for all times. It is open to—

Mr. McKENZIE (interposing). In other words, you can use it?

Gen. MARSHALL. Yes, sir; and it is open to mismanagement and collusion between people if they will do it. That has always been the history of it. And while it was in progress, and while men of standing and reputation in their professions could get a view of the situation as it was, and talk to the contractors while on the job, and talk to the engineers while on the job, and talk to the different agents while they were on the job, he conceived the notion that an investigation should be conducted, during that period. So, anticipating, I think, that after the war an investigation would come along and would not have the benefit of seeing the things in being—and also the type of men selected being for the purpose of offering constructive suggestions as to what should be done in future wars from seeing the work going on during the present war—he decided to take this action. That is my picture of why the Assistant Secretary called such a board.

This board on the contract was conceived in my office. That other board was conceived in the Assistant Secretary's office. It came to us rather as a surprise; but, as a matter of fact, when it came we saw the wisdom of it, and agreed to the wisdom of it, and thought it a good thing. He selected Mr. Moss, who was the chief engineer of the Rock Island Railroad; Mr. Blossom, of Sanderson & Porter, New York; and Mr. Davies, who was then the president of the American Institute of Accountants, I think, or was just retiring, one or the other.

Mr. McKENZIE. Now, General, going back to your testimony of this morning: You very frankly and fairly stated, I think, some of the conditions that existed at these various camps and cantonments in relation to labor and other activities in connection with their construction. I do not know whether you have read the testimony or not taken at Camp Sherman?

Gen. MARSHALL. No, sir; I have never read it.

Mr. McKENZIE. A number of witnesses testified about loafing on the job, and that much of it was done with the consent of the foreman, or the various foremen, and that word was passed around among the workmen just to get in the clear but not to get too busy

unless they saw one of the "leather legs" come around; that if a "leather legs" came along to get busy. Of course, in speaking of "leather legs" they referred to the officers connected with the Construction Corps, who were detailed on the job; and, unfortunately, perhaps, those men were compelled to wear a uniform and could be seen at a distance and known. Now, you stated what efforts you made, or that officers under you made, to try to get the very best results for the Government it was possible to get, and that your officers did undertake to do their duty; and I assume that many of them rendered very efficient and faithful service. They were not all bad men by any means, in my judgment, that were connected with this Construction Corps. I would not have you to understand me in that way at all. But here is the point I want to bring out, and want to ask your opinion about: Do you suppose that that sort of situation would have existed if the contractor had had that contract on the unit system, or on the lump-sum system, and been responsible?

Gen. MARSHALL. I think it was out of his control. I think with the number of men used, the rapidity with which he had to organize them, and the fact that he had to use men for foremen who had never been foremen before, and to use men for carpenters who had only been farm hands, and the fact that he had to take on very many laborers, meaning that when you take them in such large numbers you get among them the flotsam and jetsam of that class of people, that it was beyond the control of the people conducting the work, and that they exercised every means they could of balancing the whole proposition; that they did the best they could. Of course, they could not give their whole attention to any one thing, but I think they exercised every bit of jurisdiction over that particular matter that could have been exercised in connection with the matter in the situation that existed.

Mr. MCKENZIE. Gen. Marshall, conceding that your officers did all that they could, did their best, it still remains a fact that those workmen knew their employer was being paid by the Government on a cost-plus basis, and that their loafing did not injure the contractor, and therefore that they were pretty safe, or felt pretty safe in their jobs; and inasmuch as the contractor got his pay under that system it was not incumbent on him personally to be or to have his agent on the alert like they would have been under any other system of contracting; so that the whole thing just simply broke down, in a sense; and the breaking down in that sense, and this general loafing on the job, of course, added to the expense that our Government was put to in the construction of those camps; isn't that true?

Gen. MARSHALL. Well, sir, there again, if your premise is correct, I will answer, yes. But as to general loafing on the job, let me call your attention to this: Take a job with 10,000 men on it, and, say, 10 per cent of them are loafing, would that be a case of general loafing? If 1,000 of them were loafing, in the places where it was occurring it would be the outstanding fact; and that would slap you in the face, and isn't that where the testimony comes from? I do not think there was general loafing on the job.

Mr. MCKENZIE. It was testified to by a number of witnesses, and they were men of experience as carpenters and builders, many of them of 25, 30, and some 40 years' experience, that in their judgment

there were twice as many men on the job some said, and others one-third more men, and others 25 per cent more men on the job than was necessary. That being true, the man who had charge of that work, if he were responsible, wouldn't he have had 10,000 men on the job, or perhaps 14,000 men on the job instead of 20,000, or possibly, would not he have had 5,000 men or 6,000 men on the job instead of 10,000 or 15,000? Would not he have had a closer organization? The loafing was not all deliberate, according to the testimony, but was due to the fact that under the management that existed there were too many men put on the job, and that they were in each other's way and therefore it necessitated loss of time.

Gen. MARSHALL. There can be no doubt that there is something in what you are saying, but this is the thing that is overlooked, and which I believe is of much more importance than the point you are driving at: Had the necessity for speed existed, and had the contractor been of the frame of mind that he was going to make money, where would our speed have gone? He would have put on the job only men from whom he could expect 100 per cent efficiency? If any job could have gotten along with 25 per cent less men than they had, we did not know it, because we were trying to get more men on those jobs all the time to get the jobs done. I grant you that from the beginning there was inefficiency. I do not try to belittle the job from the standpoint of inefficiency; and do not try to belittle the men, but that there were a great many men on there who were loafers, who were of the type of citizens that we should not have had on that kind of work, and all that kind of stuff, and that there were enough of them to create the impression that you have just been voicing—but the fact is that there was no general loafing.

Mr. McKENZIE. Isn't this about the condition of your mind, and it is an honest view that you take of the situation: That there was inefficiency; that there was great waste; that there were too many men employed, which cost the Government more than it ought to have cost, yet notwithstanding all those facts you got the work done, and that was the job that was up to you—to get the work done?

Gen. MARSHALL. That is the primary thought; but as to great waste, you take a contractor's estimate and he will estimate around about 10 per cent for waste on lumber. If we had 10 per cent waste on lumber on one of those cantonments we had 5,000,000 feet of lumber wasted. There was not 5,000,000 feet of lumber wasted at any camp. And that lumber classed as waste in the minds of those people who were talking was subsequently used for shelving and to make boardwalks and other things in connection with the camp. Some of it was burned up, it is true, and as used for that purpose it was wasted. But there was no great waste in the sense of the Government losing more of that material than would have been lost on an ordinary commercial job, on which it is the standing practice of contractors to write off that much when they make a lump-sum bid.

Mr. McKENZIE. Your answer in regard to lumber suggests the question I intended to ask, but which I failed to ask before we recessed for lunch. That was in regard to the lumber furnished by these lumber associations and the Emergency Lumber Committee. The understanding was that the price was fixed and that you were to get a certain grade of lumber, No. 2, as I understand it?

Gen. MARSHALL. Yes.

Mr. McKENZIE. What do you know as to whether or not the lumbermen of the country put it over your corps in a number of instances by furnishing a lower grade of lumber than the contract specified?

Gen. MARSHALL. We had inspectors on every job—Government inspectors—and they would look at a carload of lumber and say whether it was up to grade. If they checked it as not up to grade, we did not pay for it that way. If they checked it in as up to grade, we paid for it as of that grade; if they did not check it in as up to grade, we either rejected it altogether or got its acceptance as a lower grade. Of course, in inspecting lumber in that fashion, whether the percentage went for or against the Government I do not know personally; but reports that came to me did not show, that I know of, that the Government had suffered particularly in that respect. I do not recall them if they did.

Mr. McKENZIE. Do your records show anywhere the amount of lumber taken at a lower grade than No. 2? Have you any record that you could put in for the benefit of the committee?

Gen. MARSHALL. I do not know that it has ever been compiled at all, but the inspectors were required to put in their reports of inspections; and from those reports of inspections I daresay it could be compiled, but it would be considerable of a job to do it.

Mr. McKENZIE. Did the officers of the Department of Justice pick up any lumber inspectors?

Gen. MARSHALL. I do not recollect, but it would not surprise me if they did.

Mr. McKENZIE. I heard a story connected with the Spanish-American War of an inspection made that occurred at Chickamauga or at Chattanooga, where an inspector, or if not an inspector, some man, had gone along and opened a car and thrown in a piece of spoiled meat, and then an inspector would come along and declare that meat to be spoiled and ship it on to another of the conspirators, and so on. Did you have anything of that kind—any experience of that kind—with your lumber inspectors?

Gen. MARSHALL. I do not recall. I know that at a number of times we turned cases over to the district attorney to prosecute, and the prosecutions have been carried on to conclusion and the men are in the penitentiary now. Whether it was on lumber or not I do not recall. It may have been. Collusion of that sort was possible and will always be possible.

Mr. McKENZIE. I was going to say that I was prompted to ask these questions, in view of some testimony taken at the camps as to the poor quality of lumber they had to handle and the actual waste that occurred on account of lumber being of such poor quality that they had to cut away great quantities of it.

Gen. MARSHALL. Well, our percentage of waste did not run 10 per cent on lumber. As I stated, even that lumber was not wasted; it was used subsequently for general utility purposes around the camp.

Mr. DOREMUS. What is the estimate in the building business and among contractors of normal waste on work of this character?

Gen. MARSHALL. I believe the contractors in making bids make an allowance of 10 per cent on lumber like this. They arrive at that by

different processes, but the ultimate result is generally about the same.

**Mr. MCKENZIE.** In connection with the matter of maximum fee and that there were no instances in which a contractor received more than the maximum fee, \$250,000, at page 2484 of our record, I find an exhibit marked "Exhibit E. J. W. No. 11" taken from the records of the Construction Corps, and which purports to be a statement of the emergency construction contracts, in which the fee guaranteed originally was exceeded under the construction accomplished; and under that head I find the date October 30, 1917, Snare & Triest Co., for the project Raritan River, Ordnance Depot, fee allowed \$250,000, fee earned \$349,332.18. I call your attention to that so that you may know the situation as developed.

**Gen. MARSHALL.** I do not know whether that is an error or not. Col. Shelby has all that data; he is the man who handled it, and I would have to look that particular thing up in order to answer.

**Col. SHELBY.** I have the data and the contract, which I can present to you.

**Mr. MCKENZIE.** I would like to ask permission of my colleague on the committee to have inserted in the hearing the whole of Appendix K from which Gen. Marshall read a certain abstract awhile ago.

**Mr. DOREMUS.** Certainly.

#### APPENDIX K.

MARCH 15, 1918.

Lieut. Col. R. C. MARSHALL,

*Quartermaster Corps, National Army*

(In charge of Cantonment Division).

**SIR:** The committee invited to advise in regard to methods of executing construction work under the direction of the Cantonment Division begs to report as follows:

The committee has not felt that a study of the details as to form and content of the contract form proposed is embraced in the scope of the invitation presented, and it has, therefore, limited its consideration to the purchase and hire method and to the various schemes of contractual relations which might be established for emergency construction work between the Government, on the one hand, and the constructing agencies on the other.

Broadly speaking, there is but one alternative to the usual method of executing work through the process of letting it under some one of the various forms of contract, and that is by purchase and hire, which means in effect the forming of the operating organization, the purchasing of all material, and the hiring of all labor by the Government itself. The main objections to this method may be summarized as follows:

The most vital prerequisite to the successful and speedy prosecution of emergency construction work is an efficient field organization. This takes time and experience to assemble, and such organizations must be tried out to insure efficiency, and it seems apparent that the valuable time lost in such process is insuperable objection to this method. The committee believes existing contractors' organizations should be maintained and fostered, as they constitute, in the opinion of the committee, important factors in the economic life of the Nation and of exceeding importance to its progress when the war is over. These organizations have been built up through the course of many years and they should not be disrupted or destroyed if their services may be utilized in the work proposed. Serious embarrassment is likely to arise from placing employees on the construction work under the rules and regulations imposed on all Government employees. The difficulty of adopting such rules and regulations to the character and conditions of the work in the various sections of the country would be a very serious drawback in the judgment of the committee.

The administration of work under this method would create an unwieldy organization in Washington. The vast amount of the work proposed and its varying character, and the fact that it is so widely scattered over the country, would make it almost impracticable to attempt to administer it all through a central office, and if it is attempted to decentralize it by transferring final authority to each piece of work, it practically becomes an agency contract.

Such a system might be applicable to a project of colossal magnitude under conditions in which time is not of the essence of the contract, and might conceivably be a sheer necessity where sanitation, policing, and other governmental functions could not be adequately provided for in any of the usual contractual forms.

The committee finding none of the conditions which would recommend this method of procedure present in the emergency construction work contemplated, and finding, on the contrary, many serious objections, advises that the "purchase and hire" method be not used.

The committee advises, therefore, that the projected work be executed under some form of contract with existing contracting organizations, and the committee has weighed carefully the advantages and disadvantages of the various methods in common use, with reference to the particular problems presented by the type of projects and the conditions imposed by their emergency nature, as well as the abnormal conditions of the labor and material market produced by war conditions.

A few years ago the lump-sum contract was the one most commonly employed, and for it were claimed many advantages for both parties thereto which are to-day found to exist in all the contractual instruments which are equitably drawn. There could be no possible objections to the "lump-sum" contract were the Government dealing with clearly delineated problems to be executed under stable peace conditions always provided that the bidders be selected for their fitness and capabilities to properly perform the work, but the committee finds the following vital defects to which it begs to call your attention:

No steps may be taken until drawing and specifications are complete, the bids taken, and the contract awarded, and thus would be lost those precious months which may be measured not in dollars but in lives.

The history of war emergency construction shows the development of many projects originally small by comparison into works of great magnitude and importance, and for such development the "lump-sum" plan is too inflexible to operate satisfactorily; administration costs must increase in adjusting important changes, while inequities and dissatisfaction are bound to arise. In such an unstable market as exists costs must be figured by the contractor high enough to provide a margin to cover unforeseen and uncontrollable changes in the prices of material or labor, which would result in a speculative price which would be disadvantageous to the Government.

Your committee advises, therefore, that the "lump-sum" method be not used.

There is a variant to the foregoing which provides for a lump-sum contract to cover the original project, with a cost-plus remuneration for changes and extensions; but since the main objections inherent in the straight lump-sum method are present here also, the committee advises that it be not used.

On an emergency contract of indeterminate extent and admirable method in normal times is an agreed fixed price on such units of construction as per yard of concrete in place, per thousand bricks in the wall, etc.; but here, again, the committee finds that existing conditions and the extreme variations in scope of the work rob it of its sole advantage—exact adjustment by final survey. A fairly complete knowledge in advance of the conditions under which concrete is to be poured, and steel fabricated and erected, obviously controls a close estimate for the establishment of equitable unit prices, and so this method acquires many of the objections advanced against the "lump-sum" method. For these reasons the committee advises that the "unit price" method be not used.

One other type of contract should be mentioned before presenting the scheme the committee unanimously advises, and that is the agency form of contract. The agency contract must be founded upon and its successful use depends upon securing those absolutely essential conditions of mutual trust and confidence which grow alone from long and satisfactory association in the position of owner and contractor; its principal use is confined to undertakings of such magnitude as to be beyond the financial capacities of the strongest contracting organizations, and unless contemplated projects embrace work of so extraordinary



nary a character we deem its use unwise, particularly as an agent could involve the Government in onerous obligations.

Having advised, therefore, that these various forms be not used, and for the reasons stated, the committee unanimously concurs in advocating what may be termed the "cost plus a sliding scale fee" scheme of contract for both general contracts and subcontracts. In its general application it enjoys the same confidence in the building world as to the equities as does the lump-sum contract, as is evidenced by its very extensive use. Its essential features are its applicability to projects great and small—its extreme flexibility with automatic adjustment of all variations in plan and scope. Under its terms the rates of pay for labor are known to be more equitable than under other methods; it requires for its successful application a painstaking review of the records and standing of contractors, just as is now made under existing methods to insure the selection of an organization which measures up to the requirements of the contemplated project, but without working any hardship, since no one can escape the axiom that in the final analysis each job can go only to one contractor. The committee believes that one of the objections charged to this form of contract is that it encourages extravagance and holds open temptations to increase costs, because such increase is accompanied by increased compensation.

The general form of contract now in use by the Cantonment Division, in which the percentage decreases as the cost increases and is broken by fixed fees at intervals, seems calculated to effectively check, if not prevent, this tendency. Moreover, under the contract proposed the Government retains the right to control the prices of most materials and of labor. Under these circumstances it does not seem to the committee that such an objection would have any force in relation to this form of contract. No reasonable objection can be pointed out by anyone possessing a full understanding of its equitable operation in practice, and, finally, this scheme appeals to the committee as possessing one qualification which must commend it to all thinking men—it permits starting actual work weeks and even months before the details are completely worked out and delineated and permits the Government to push the job at any speed it may elect, changing at will its plan and scope but paying only what the work actually costs plus a fee which is so reasonable as to be above the reach of fair-minded criticism.

The committee therefore advises for emergency construction work by the Cantonment Division the scheme of contract known as cost of the work plus a sliding scale percentage with a maximum upset fee.

Respectfully submitted.

A. M. TALBOT, *Chairman.*  
JOHN LAWRENCE MAURAN, *Secretary.*  
JOHN R. ALPINE.  
FREDERICK L. CRANFORD.  
CHARLES T. MAIN.  
OSCAR A. REUM.  
R. G. RHETT.  
E. W. RICE.

Gen. MARSHALL. If I may ask the committee now I would like very much to have the report of the Board of Review of Construction, War Department, to go in this record. This report deals not only with the cantonment period, but deals very specifically with the cost-plus contract from beginning to end. It was a report that was made by an independent investigation, whose duty and object was to find whether we had or had not properly conducted this business; who went on the jobs while the jobs were in progress, talked to the contractors and talked to the engineers, and who gave any evidence they saw fit to give, and arrived at conclusions and made recommendations. And not only that gathered there but information gathered from other departments of the Government. It is the best testimony of the situation, and is made up by representative men in their several lines. As I have already stated, Mr. Davies was the president of the American Institute of Accountants; Mr. Moss, the chief engineer of

the Rock Island Railroad, and Mr. Blossom, an engineer in a firm that has great public utility management all over the country.

Mr. McKENZIE. Of course, we would like very much to accommodate you in that respect, but I want to ask you, just wherein does that volume of material particularly become pertinent to the investigation we are making?

Gen. MARSHALL. Well, it reviews the work that was done from the beginning of the war up to that time; not only the work done by us but work done by other departments. It was conducted through an extended period, and it was compiled and written by men who were entirely outside of our surveillance or that we had anything to do with; and it seems to me that nothing you could get could more directly pertain to what you are investigating than this. I know of no record that pertains more directly to the effect of management and expenditures in the War Department during the camp and cantonment period than this does, and that is the purpose of your investigation.

Mr. McKENZIE. I do not remember exactly just what is shown therein, but I looked through that volume hastily, and at least I think there is a very fine eulogy of yourself in it.

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. In what way would that have any bearing on this investigation, conceding that it is true?

Gen. MARSHALL. I daresay there are other paragraphs in there of the same kind.

Mr. McKENZIE. No doubt.

Gen. MARSHALL. And there are other paragraphs in there that would be much more interesting and to the point.

Mr. McKENZIE. If there are other eulogies in there of the same kind, I am at a loss to know wherein that is pertinent to this investigation. Let me say this in order to close that matter up: I objected to the inclusion of that entire volume in our hearings on account of the extreme size of it, and the expense entailed in its publication as a part of our record. But I did say, and I say now, that any part of it that is pertinent should and may go in; I would have no objection to any part that is pertinent being put in. I want to say further, that we have not definitely decided what course we will take in regard to that matter, but before closing up the printing of our hearings we will take that matter up as a full committee and determine whether or not we will have it published.

Gen. MARSHALL. All right. I am afraid what I said before lunch about the Engineer Corps might be considered as a condemnation of the Engineer Corps, and I now want to say that I have only the highest admiration for what they did during the war. I think their work was magnificent, and I have nothing derogatory to say about it. My evidence was solely from the point of view of their efforts and desires to absorb the construction work.

Mr. McKENZIE. I want to ask you two or three questions that have come to my attention, and that are not really pertinent to this inquiry. I have in mind a paper entitled "Memorandum reference. Construction Division of the Army, and why it should be continued as a Construction Corps." This document was sent to me by a Member of Congress, and contains a great many statements, among them, for example, this:

The work of the Construction Division during the war exceeded in volume and speed any construction work ever performed in history. The Panama Canal, generally referred to as a mammoth construction project, was located at one point and cost about \$375,000,000 over a period of 10 years. The work of the Construction Division was located at over 500 places and involved an expenditure of approximately \$1,200,000,000 in one and one-half years. More than 20 times the rate of progress of the Panama Canal. The accomplishment is the more remarkable as it was done during a time of the most acute competition of transportation and shortage of labor and material.

As an officer and construction man do you think that the construction of one of these camps was comparable to a gigantic feat such as the construction of the Panama Canal? Would that be a fair comparison?

Gen. MARSHALL. No; from the point of view of your question it would not.

Mr. McKENZIE. Now, then, it goes on further to argue in one paragraph:

The various Army bills provide for a Regular Army of about 300,000 minimum to about 500,000 maximum not including universal military training, which would further increase the requirements. For the minimum of 300,000 men increased quarters will have to be provided for over 200,000 men. The cost of these quarters will vary from \$500 to \$2,000 per man, requiring a total expenditure of \$100,000,000 to \$400,000,000, probably averaging somewhere in the neighborhood of \$50,000,000 per year for four or five years, and more if a larger Army be authorized.

Now, Gen. Marshall, do you believe that that is a fair statement to be placed before the Members of the Congress?

Gen. MARSHALL. I do not know from what angle you are talking about it, but that is pretty nearly a fact.

Mr. McKENZIE. Well, I mean in reference to the statement that quarters will have to be provided for 200,000 more men.

Gen. MARSHALL. I think that is a fact.

Mr. McKENZIE. And that they would cost from \$500 to \$2,000 per man?

Gen. MARSHALL. Yes. I do not think those figures are exactly correct, but the general idea is about correct.

Mr. McKENZIE. In another paragraph the statement goes on to say:

The operation of the utilities for 300,000 men will approximate \$30,000,000 per year. Other construction, such as warehouses, utility buildings, etc., will approximate an additional \$20,000,000 per year. This indicates a probable total expenditure to be made by the Construction Division of about \$100,000,000 per year, approximately 10 times the prewar average, and approximately equal to the entire Army appropriation before the war.

What do you think of that statement?

Gen. MARSHALL. I think that is pretty nearly correct.

Mr. McKENZIE. You are looking forward, then, to some pretty heavy taxes being levied on the people to carry on this Military Establishment?

Gen. MARSHALL. The conditions are these: That we now have at a regular Army post quarters for, oh, about 4,500 officers. If you have 18,000 officers additional quarters have got to be provided in some way, and if it comes to a question of whether they are going to draw commutation of quarters or have quarters provided, and in case of commutation of quarters it would cost more in the long run.

**Mr. McKENZIE.** On the last page of this statement this appears :

Proposed amendment to Senate-bill 2715 to reorganize and increase the efficiency of the United States Army.

Insert the words "A Construction Corps" in the preamble immediately after "Tank Corps" where it first appears, page 1, line 11.

Also insert a new section reading as follows :

"Section —. The Sonstruction Corps: The Construction Corps shall consist of one chief of construction with the rank of brigadier general, who shall be chief of said corps; 14 colonels; 14 lieutenant colonels; 80 majors; 150 captains; 35 first lieutenants; at least two-thirds in each of the several grades shall be appointed from the officers who served in the same grades in the Construction Division of the Army prior to June 25, 1919.

"The told enlisted strength of the Construction Corps and the number in each grade shall be as follows: Eighty-two construction sergeants, sergeants, first class; 3,884 sergeants; 900 corporals; 190 cooks; 2,760 privates, first class; and 1,455 privates. *Provided*, That the rates of pay and allowances in the several grades of enlisted men shall be the same as those of similar grades for the Quartermaster Corps: *Provided further*, That all work pertaining to the construction, maintenance, and repair of all buildings, structures (other than fortifications), and utilities and the preparation of plans therefore in accordance with the requirements of the several bureaus, corps, and departments of the War Department for the Army, and of the operation of such utilities, the acquirement of real estate and the issuance of licenses in connection with Government reservations, shall be done by or under direction of the Construction Corps, and all appropriations made for such purposes under any corps, department, or bureau of the War Department shall be available for the purpose for which made and disbursed through said Construction Corps, and together with property acquired therefrom, shall be accounted for to the chief of construction."

Now, Gen. Marshall, what I want to ask you is, did you have any knowledge of that being sent out, or was it sent out under your direction?

Gen. MARSHALL. That was not sent out under my direction, and I did not know it was going to be sent out. A copy was sent to me at the same time it was sent out.

Mr. McKENZIE. Do you know who got it out?

Gen. MARSHALL. I think it was gotten up in St. Louis by Maj. Smith; I think so.

Mr. McKENZIE. Is he a member of the Construction Corps?

Gen. MARSHALL. He was.

Mr. McKENZIE. When did he send this out?

Gen. MARSHALL. I do not know when he sent it out. It has, perhaps, been within the last two months.

Mr. McKENZIE. When was he discharged from the corps?

Gen. MARSHALL. I can not recollect, but last June, I suppose.

Mr. McKENZIE. Will you give us his name?

Gen. MARSHALL. Maj. C. E. Smith, of St. Louis.

Mr. McKENZIE. My purpose in asking you these questions—

Gen. MARSHALL (interposing). I knew this, that Maj. Smith would get active whenever any bill came up. He had told me before he left that when any bill came up he was going to do what he could to continue the Construction Division, and I think it entirely probable that he got the most of his facts out of my hearing before the Senate committee because practically everything he states in there is either a paraphrase of or an extract from what was in my statement before the Senate committee.

Mr. McKENZIE. As far as you are personally concerned it is not necessary for such legislation to be enacted in order to carry you on

the rolls as a commissioned officer, because you are a Regular Army officer?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. It might be that you would be reduced somewhat in grade, you being now a brigadier general at the head of this corps, in case it is not continued, in which event you would go back to your rank in the Regular Establishment?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. What do you think as a military man of the proposition contained in that proposed amendment to carry over into the Regular Establishment two-thirds of the officers commissioned—I mean as a military policy in peace time?

Gen. MARSHALL. As a military policy that is high; that is too many of them.

Mr. McKENZIE. It would be an injustice, would it not, to the men in the Regular Establishment?

Gen. MARSHALL. Well, not for a fair percentage to be carried over; that would not be an injustice. I think we have to think of the interests of the Government as well as that of the men in the Regular Establishment. As I stated here this morning, we were denied the use of Regular officers in the Construction Division; we had to get them from civil life, and the consequence was that practically the whole of the Construction Division was from civil life.

Mr. McKENZIE. That was true of a good many other branches of the service, like the Sanitary Corps?

Gen. MARSHALL. It is true of some others; yes. If the Construction Division is to be continued as a separate outfit, should the Congress think that to be the part of wisdom, which I verily believe it is myself, then I think that those men who have grown up with it, under a fair military policy and by reason of the fact that the Regular officers have not been with it in the same percentage, should in larger degree be continued with it than by taking men from other branches.

Mr. McKENZIE. Have you any questions, Mr. Doremus?

Mr. DOREMUS. Gen. Marshall, after the signing of the armistice did you cancel any of these cost-plus contracts?

Gen. MARSHALL. I do not know on just what date the cancellation came, but work was stopped on a great many of them within a week or two after the signing of the armistice.

Mr. DOREMUS. Following the armistice you did cancel a large number of these cost-plus contracts?

Gen. MARSHALL. Yes, sir. The record of them Col. Shelby has also.

Mr. DOREMUS. What sort of condition would you have been in at that particular juncture if those contracts had all been lump-sum contracts?

Gen. MARSHALL. Well, I guess under the law that existed we would have had to pay the full anticipated profit of the contractor in addition to what other costs he had incurred up to that time.

Mr. DOREMUS. At the cancellation of the contracts was it easier to arrive at a settlement with the contractor under the cost-plus contract than it would have been under a lump-sum contract?

Gen. MARSHALL. Yes, sir; because the contract absolutely provided how that should be done.

Mr. McKENZIE. In all contracts with the Government in time of war they usually carry cancellation clauses, do they not?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. Authorizing the Government to cancel?

Gen. MARSHALL. Yes, sir.

Mr. McKENZIE. And any claims for damages regardless of the character of the contract is a matter to be settled after the cancellation?

Gen. MARSHALL. It is to be settled under the contract.

Mr. McKENZIE. And in view of haste and perhaps some little carelessness on the part of the officers doing the contracting along many lines it became necessary for the Congress to pass a special act enabling the War Department to make settlement on many irregular and informal and perhaps technically illegal contracts; and the fact that a man had a cost-plus contract would not prevent him from filing a claim for an equity he might have against the Government?

Gen. MARSHALL. The only contract that we had in our department was the cost-plus contract at the time of the armistice, I think. I think they were the only contracts we had.

Mr. McKENZIE. At any rate, the Government would stand as ready to do justice to that man who had the cost-plus contract as to that man who held another kind of contract?

Gen. MARSHALL. Yes; but the cost-plus contract was peculiarly designed to stop work at any instant, whatever the reason might be.

Mr. DOREMUS. I want to find out whether it was easier to settle with the contractor after the contract was canceled and to arrive at the amount of his damages or his claim under a cost-plus contract than it would have been under a lump-sum contract?

Gen. MARSHALL. I think there is no doubt of it. I think the cost-plus contract was peculiarly adapted to that particular situation.

Mr. McKENZIE. That resulted from the fact that in many instances all the contractor had on the job was his trunk, wasn't it?

Gen. MARSHALL. No, sir.

Mr. McKENZIE. And a few personal articles?

Gen. MARSHALL. I do not think so.

Mr. DOREMUS. We have had a lot of testimony here about loafing on the job, and the inference has been conveyed that there would have been less loafing under a lump-sum contract than there was under this cost-plus contract. I would like to know your opinion on this proposition: Would a man who would loaf in time of war, when he knew that it worked injury to his Government, thus becoming what is known as a slacker, be any more liable to be loyal to his contractor under a different form of contract?

Gen. MARSHALL. I would not think so.

Mr. DOREMUS. I believe that is all I care to ask the general.

Mr. McKENZIE. That is all I wish to ask, and I thank you for your attendance.

Gen. MARSHALL. And I thank you for the opportunity to appear before you.

Mr. McKENZIE. We will now hear Col. Shelby.

#### TESTIMONY OF COL. EVAN SHELBY—Resumed.

Mr. DOREMUS. Col. Shelby, when did you first use this cost-plus form of contract, or what is known as the emergency form of contract?

Col. SHELBY. Early in the month of June, or I may have seen some form or draft of it in the last days of May, 1917. It was then in the formative stage. I recollect seeing one print copy that was, to my knowledge, changed in a number of particulars as to details before it was finally adopted and approved by the various agencies of the Council of National Defense or the Munitions Board and its committees and finally approved for use by the Secretary of War. I, personally, I think, made some slight suggestions as to safeguards that I thought would protect the Government better than the language used. I could not point them out to you in detail, but I know that was one of the first things that I had to do after I became attached to the Cantonment Division and before I was commissioned.

Mr. DOREMUS. It has been alleged, Col. Shelby, that this contract did not properly safeguard the Government's interests, and it has been stated from time to time that it left the whole thing wide open for the benefit of the contractor. I would like to get your views on that phase of this investigation in connection with the experience you had under the contract?

Col. SHELBY. I believe that every safeguard is contained in that contract which you could have used in a contract for the construction program that the Cantonment Division had in view, considering, first of all, that speed was the essential thing. The Government had direct control of every purchase. It had the right, and I believe in 90 per cent of all cases did exercise the approval power on every purchase before it was consummated. Certainly all the great mass of construction material was brought through the central office in Washington, and all the material that was bought on the job could only be bought by the approval of the engineer or Government representative on the job. Materials after being bought were inspected by the Government's representative on the job upon their arrival at the job. The contractor was not reimbursed for materials that did not come up to the inspection standard. If any faulty materials were used it was done with the knowledge of the inspector and to meet an emergency where a rejection of the material would have been more detrimental to the Government's interests than acceptance of the poorer quality and immediate use thereof.

Mr. DOREMUS. In what respect was the Government protected against fraud in the matter of labor on those cantonments?

Col. SHELBY. Through its right to determine the number of laborers of any particular class that should be employed on each job. It had absolutely the right to determine the rate of wage to be paid workers of all classes; and its personal inspection of the work while in progress through its representatives on the job, in the form of inspectors and timekeepers on the work and time of the laborers.

Mr. MCKENZIE. You are speaking now of what the contract provided for and not what happened?

Col. SHELBY. I am speaking of what happened as well as what the contract provided for. Of course, there were isolated cases, and perhaps quite a number of them when you remember that we had as many as 280,000 men employed quickly, where the inspector did not see all the men all the time; but you could not have one inspector for each man.

Mr. DOREMUS. Possibly you have already detailed how the Government was protected under this contract regarding material and equipment furnished?

Col. SHELBY. Well, I have said nothing about equipment. The Government provided a schedule of rates of rental for equipment which was owned by the contractor. Those rates were subject to variation only with the approval of the Government's representative on the job. In cases where long use of any kind of equipment took place, by the method of valuation of equipment and the right of the Government to take equipment over when the rental had equaled the valuation or when it had nearly if it did not quite equal the valuation, so as to make it of advantage to the Government to take the property rather than continue to pay rental, the Government got the advantage of the equipment. The rental of equipment from third parties had to be approved by the man in charge. In many cases of equipment of third parties the conditions prevailing were such that it had to be had and that the Government should have had the right to own it when the rental equaled the value, but there were cases where that could not be done. That could not always apply because some owners would not rent it except through a straight rental without any question of ownership being considered.

Mr. McKENZIE. Were you present the other evening and did you hear the testimony of Mr. Storck in relation to automobiles at Camp Lee?

Col. SHELBY. Yes, sir.

Mr. McKENZIE. Was that any occurrence where they paid a rental and failed to take over the property, although they paid more than the value thereof?

Col. SHELBY. Never when the equipment belonged to the contractor. We turned over hundreds of automobiles to the Transport Corps where the Government just paid the price, and the contractor was out the interest on his investment, and all he got was the exact amount of rental which equaled the purchase price he paid initially as an investment and the Government finally got the machine. There were numerous cases on many jobs where the contractor rented automobiles for short periods and where it was considered as a rental the same as you would go out on the street and rent a hack for an hour in this city—you get no interest in the property. And I have no doubt there were many cases where in the end the rental represented more than the automobile, but the Government never got it. Of course, no original rental agreement was made as to how long it would be used. If there had been it would have been better for the contractor to have bought it, and the Government would finally have gotten it.

Mr. McKENZIE. The point is that, of course, no contract could be made with a third party except through the representative of the Government.

Col. SHELBY. He must approve it absolutely.

Mr. McKENZIE. In that approval was there a fixed price as to value?

Col. SHELBY. Not exactly. There was no reason why it should be. We had numerous cases where a man would not consider renting his automobile with the idea that anybody would get title to it. You



must realize that at that time automobiles were very scarce, and it occurred from time to time that you could not get them and you had to take what you could get. You might order one from a factory and be three months getting it, and in that situation in the meantime you had to rent one from the nearest man who owned one, and usually you had to pay the market price.

Mr. McKENZIE. Of course, the point I had particularly in mind was the matter of the specific machines mentioned by Mr. Storck and upon which a rental was paid and then the machines not taken over.

Col. SHELBY. I do not recall the testimony of Mr. Storck on that subject particularly. I sat here and listened, but was more interested in the recital of his trips to Washington with Mr. McConnell, because I had some slight recollection of the events there. I have no particular recollection of his testimony on automobiles.

Mr. CHANTLAND. That all machines had a fixed price on them, to begin with?

Col. SHELBY. But the contract rental so provided. If it was a third party's automobile the contract of rental would provide whether the Government should take it over or not, whether the price be \$1 or \$1,000. The contract of rental would have to determine that, and I did not hear anything in Mr. Storck's testimony about that.

Mr. DOREMUS. My recollection of Mr. Storck's testimony was that there were five Ford automobiles, priced at \$385 or \$395, on which the rentals ran up to \$800 and \$900, and that those cars were never taken over by the Government. I think that is what it referred to.

Col. SHELBY. I have no personal knowledge of those cases, but I venture to say there was no contract right by which the Government could take them over, and the rental of those cars for that length of time proves it from all appearances.

Mr. DOREMUS. Does what you have already told us refer to contractors' equipment?

Col. SHELBY. Contractors' equipment is always regained by the Government if the rental equals or so nearly approximates the valuation as to make it to the interest of the Government to take it over. That is provided for in the principal contract. But you can not make a contract with a contractor which shall determine his relations with a third party unless that third party concurs in the agreement. So each rental of a third party's equipment had to be made by special agreement with a contractor with the approval of the Government's representative.

Mr. DOREMUS. Your contract also covered miscellaneous services, like insurance, bonds, and transportation. In what way was the Government protected with reference to these items?

Col. SHELBY. Well, if I understand by transportation you mean freight, we provided that there would be no fee on freight, and that the Government could pay such charges direct so as to get the benefit of the land-grant rate which came to the Government; and a considerable amount of freight was paid through the central office here in Washington of the Quartermaster General and bills were approved by the Government's representatives on the job. As to the question of expressage, if things were ordered by express they were to be ordered with the approval of the constructing quartermaster. Those

items did not appear in the percentage fee. As to insurance, workmen's compensation, and employers' liability, they were large items and we had organized in the Construction Division, immediately under my own branch, a section on insurance, where we had experts in casualty insurance in the Government's employ, and all rates and forms of policies had to be approved there. Bills for insurance premiums figured upon the pay rolls had to be O. K'd and approved in the central office before payment.

It may be refreshing to mention at this point that on yesterday I had the pleasure of going before the Secretary of War, with the representatives of the Travelers Insurance Co., of Hartford, Conn., who had come on here to make a voluntary payment to the War Department of a hundred and fifty-four-odd thousand dollars because, under a tentative arrangement which we were negotiating at the time of the armistice, they had reached the understanding that if their actual experience showed that their premiums figured upon the pay rolls were a higher return on the risk carried than was fair they would only charge such fair return. That matter was being negotiated because we found out in the beginning of our construction that the manual of rates upon which premiums are based, which is a percentage on the pay roll to cover workmen's compensation or employers' liability insurance, were not fair, and for the reason that wages were advancing so fast while compensation benefits were stationary under the statutes, that the pay roll might give a return premium twice as big as was necessary to carry the risk for any benefits the company would have to pay under the workmen's compensation act.

In May, 1918, we got the companies, after a conference which I attended in New York with the head of our insurance section and the representatives of the casualty insurance companies, to agree to reduce the rates 60 per cent. But we did not believe that was enough, because wages were still increasing. At that conference we proposed that they should work out some scheme which would give only a fair return, thus showing what should be the initial premium, and then if experience showed that the initial premium was too much a reimbursement should be made. Some of the companies demurred, while others thought it was a good thing and agreed to do it. That is, while the insured in each case was a contractor on Government work, yet they all knew that the Government was the ultimate payer. So this agreement that we were about to get into legal form was prevented by the coming of the armistice. But this company that came forward on yesterday and presented to us its check on the Treasurer of the United States for a hundred and fifty-four thousand some odd dollars said it preferred to carry out the moral obligation contained in that agreement. I recite that to show that we kept our hands on the insurance situation in which very large items were involved. On the question of bonds a rather peculiar situation developed, because it had been the understanding of all persons connected with the Construction Division, as well as contractors, that premiums on bonds were a reimbursable item under the contract, and they were all ordered paid. In order to protect the Government on these bond premiums I saw at the very beginning that it was going to be a very large item, because the custom had been for these bonding companies, or surety companies, to charge a premium of 1½ per

cent of the amount of the work involved. I figured that under this form of contract the insurance carrier was really carrying a very slight, if any, risk because of the Government's control. But there was this Heard law, which required on all Government construction there should be a bond which should stand on Federal work in the position that a mechanic's lien does on private work in all the States. I think that was an act passed some 20 years ago at the instance of labor. So we had to have a bond. I got the carriers of this sort of insurance to agree to a premium of 1 per cent on the amount of the penalty of the bond regardless of the amount of work to be performed; and the highest bond we ever required was \$250,000. At this rate of premium—1 per cent—the amount to be paid on a bond would be \$2,500 on the largest bond ever given. These items were reimbursed to the contractor.

After some 500 of them had passed the Auditor for the War Department, another contract of somewhat similar nature went before the Comptroller of the Treasury. He held that that was not a reimbursable item. We then put up our case to the comptroller, showing what we had done and how they had passed the auditor. He said that he did not believe even under our form of contract that it was a reimbursable item. So then we stopped reimbursing the contractor therefor and required every contractor over whom we had any control, if doing any other work or we had any control over him otherwise, to reimburse us. In some other cases we required them to pay it back. But still they had the right to take it up to the Court of Claims. We took every precaution to protect the Government's interests, and if it works out as the comptroller rules, our action has protected the contractor by getting a much lower rates than he otherwise would have gotten, for, as you will readily see, on a \$1,500,000 contract the bond would be \$15,000. So that that matter was carefully protected, and in the insurance and bonding matters I think the Government got the best bargain it could.

Mr. DOREMUS. I suppose there were opportunities to cheat the Government on your collateral operations, like running a commissary and bunk houses? What sort of safeguards did you have to protect the Government on that?

Col. SHELBY. Well, the contract specifically provides that any refund, rebate, or profit made by the contractor from any of these incidental operations shall be turned over to the Government in reduction of cost of the work. The initial expense of the commissary, for instance, to build it, equip it by buying supplies, and services of labor were all Government charges. They got back for that certain prices which they charged the laborers. In some cases they broke even, but very rarely.

We found that having once established a rate for a commissary, for the fare furnished the men, if we attempted to raise that rate the labor left and went to some other job. So that frequently those incidentals had to be run in a way that we were charging for commissary tickets or meals three for \$1 while actual experience showed those three meals cost 35 cents apiece. In that way the Government had to absorb the difference, because it paid the initial fee. In other words, instead of getting back the full equivalent for this commissary operation it got back something less. But if there was anything more re-

ceived the Government got it back. That was illustrated on yesterday by the act of the Travelers' Insurance Co., being a refund on a premium which had been paid at the established rates, a portion of which the company was willing to pay back. But that did not go to the 27 contractors they had covered by the insurance, but went to the Treasury of the United States.

Mr. DOREMUS. As a matter of fact, on the most of the cantonment jobs the commissary showed a loss?

Col. SHELBY. Yes, sir; their experience varied, depending as a rule upon the efficiency of the commissary man. Some of them got a special commissary man, and others ran the commissary in their own departments.

Mr. McKENZIE. Was the price of meals fixed by the Government?

Col. SHELBY. No, sir; the price of meals was established and approved by the Government representative. Of course, they had figured on a price which was the usual price, holding to the old method. For instance, at Seattle it had been the custom always, or for a number of years, to support them for a dollar a day. That is, three meals for a dollar. Now, then, it cost, I believe our figures show, 37 cents a meal at that place.

Mr. McKENZIE. Do not you believe that the insertion in that form of contract of a provision requiring the contractor to refund any profits that he might make on the commissary to the Government removed all incentive for care in the conduct of the commissary?

Col. SHELBY. No, sir; I do not think it removed all incentive; but that would be the tendency.

Mr. McKENZIE. If the reverse of that proposition is true, then the Government would foot whatever loss might occur, which appears to be the plan that is now being adopted, or being contended for by the contractor, he contending that if he made any profit he had to turn it back, and therefore if he suffered any loss the Government should stand it.

Col. SHELBY. Yes; the contract specifically provides that the Government shall pay the initial cost and, therefore, he could not lose by it.

Mr. McKENZIE. In your judgment do not you believe that perhaps a wiser provision for the protection of the Government might have been to have inserted in the contract some other provision instead of the one that was in it?

Col. SHELBY. Well, I have thought of that a number of times, and I believe a provision might have been inserted in that contract by which a saving could have been divided and the profit in that way go partly to the Government and partly to the contractor, and under which he might have been able to get some commissary man to run it on that theory. But our experience with the biggest commissary people we could get to supply laborers with food and shelter and beds on this construction work was very disappointing. I recall one case particularly, where, at Newport News, Va., I think Westinghouse, Church, Kerr & Co. had a contract, and they got their caterer, as they called him, from New York, and one of the biggest operators in the country in that line, and his work proved woefully disappointing. So much so that he had to be discharged from the contract, and we required that the contractors themselves establish a commissary and put their own men in.

There was another case I remember, at Pig Point, Va., an ordnance depot, a little point isolated from everywhere else, where they were building a depot for storing T. N. T. and high explosives. It was very difficult to get labor there because the towns around there, Newport News and Norfolk, had plenty of work, where men could be thrown among their fellows and be better housed and better enteratined and everything else in the evening, and they did not want to go to Pig Point. So it became necessary to give an inducement in order to get labor to go up there and stay there, and they had to pay a higher wage, really, in the form of low accommodations. For instance, I think they ran that commissary at \$3.50 a week in order to hold the labor there. I think the most of it was colored. That, of course, was really a part of the cost of the work. It was one of our essential jobs. We had to get a place where we could store these munitions at tidewater so as to easily get them to boats for overseas shipment. As a matter of fact, munitions had to go in there before it was all finished, and we had to federalize the establishment, because there were workmen there and T. N. T. was stored there. We had to federalize every employee on that job, because no insurance company would take the liability, feeling that an explosion might occur at any time and kill a thousand men and wipe them (the liability company) out. There we had to federalize the workmen and give them all the benefit of our Federal compensation act when the time came that they had to store explosives there in order to get them off the trains.

Mr. DOREMUS. Was this one of the purposes of inserting that provision in the contract: To prevent the contractor from making large profits out of feeding the men in addition to his fee under the contract?

Col. SHELBY. I think that was the purpose of the contract, and certainly it has been so interpreted by me; that the contractor should not make any profit out of that work other than his fee—either at the percentage rate if he did not finish the job, or at the maximum fee if he did.

Mr. DOREMUS. In article 4 of your emergency contract you have a provision with reference to retaining payments on the jobs. To what extent did that protect the Government?

Col. SHELBY. For instance, at the end of the month he would be entitled to reimbursement for his actual expenditures and a part of the fee earned on his expenditures. In other words, we kept a balance always due him. There is a certain protection in relations between men where a man holds the money bag.

Mr. DOREMUS. Is there any safeguard in regard to auditing privileges under article 5?

Col. SHELBY. That is a special privilege in that it permits of a reexamination of records and correction of errors after the work is over. Inasmuch as this work had to be done quickly it gives the Government the right to have those records all retained, and if errors are discovered, to recoup. That is a distinct protection.

Mr. DOREMUS. In article 7 you have quite a drastic provision, which reserves in the Government power to terminate the contract and discharge the contractor; is that a safeguard?

Col. SHELBY. Oh, indeed, it was; particularly so in this class of work, because if we had a man who was not going on with the job,

if his organization experience and his own personal work was not giving the Government what he had contracted to do, all we had to do was to so certify and he would have to take the consequences and leave.

Mr. McKENZIE. Were you called upon at any time to exercise power under that clause?

Col. SHELBY. I do not believe there was ever a case where we actually exercised that power, but there were cases where that power was brought to the attention of the contractor, much to the Government's interest.

Mr. DOREMUS. Would the fact that under this contract the Government reserved to itself the power to dismiss the contractor from a job have a tendency to make the contractor do the very best that he could under the contract?

Col. SHELBY. Undoubtedly; and it did have.

Mr. DOREMUS. In other words, you do not think that any contractor with a reputation at stake would care to go through life with a record of having been discharged by the Government of the United States in the midst of war?

Col. SHELBY. No, sir; and they fought against it most terrifically in the cases where we thought discipline necessary.

Mr. DOREMUS. What can you tell us about the bond which is required under article 9?

Col. SHELBY. Well, that bond is a financial safeguard, of course. Personally, I did not consider that that bond was very essential for the Government. But it was required by the Heard law. It was a safeguard to the extent of \$250,000 against willful fraud and theft.

Mr. DOREMUS. Can you give us any instances where the contractor did not get all that he endeavored to get under this contract?

Col. SHELBY. Well, sir, I have spent the most of two years and a half preventing that very thing and interpreting this contract as I understand it, and I do not suppose I would be exaggerating to say that I have had thousands of cases in which the claims of contractors for reimbursements have been turned down in my office.

Mr. McKENZIE. But those were claims outside of his fee?

Col. SHELBY. Yes, sir; outside of his fee. But if he had made an expenditure it was not approved if it was not necessary, and he was out of pocket that much. Of course, in the end it went as a reduction of his fee. As a matter of fact, in the matter of unjust outlays, many of them had been charged, and I have always felt a certain amount of qualm of conscience over it where they had quite a surcharge for outlays in cases where I did not believe they were to blame, but they could not bring them in under the War Department accounting for personal property. You either have to show them or show expenditures therefor; and in a great many cases when the soldiers came in they took spades and hoes and shovels, and every company had a certain amount of that material that it lost. And you could not blame the boys very much, for they felt that they had been paid for by the Government, and that they needed them; but in the nature of things the contractor had to stand that loss.

Mr. McKENZIE. On that point, were those spades and hoes and hammers turned over to the Government after the contract was over?

Col. SHELBY. Oh, yes. We have warehouses full of them to-day. And very frequently at the end of a job all that equipment was bun-

dled right up and taken on to another job. Lots of equipment and small tools went from one to as many as three or four jobs afterwards, and they are now in the possession of the Government. That was a very big item in the management and auditing work of the constructing quartermaster, to have proper safeguards around to see that those things were not lost and that they were finally turned over and made available for other work.

Mr. DOREMUS. Capt. Wessen, on page 2261 of the official reporter's copy of the transcript, and page 2484 of the printed record, testified that there were several cases in which the contractors were paid fees in excess of the amounts allowed by the contracts. Have you gone into that matter at all?

Col. SHELBY. I have. I think perhaps Capt. Wessen fell into probably a very natural error. In looking over those particular cards in the Accounting Division of our office, as Maj. Newton testified the other day, he took a pencil memorandum on them as the final word, without examining the contracts. I have had the contracts referred to which he gives on his list, and I find in no instance did the contractor get more under the contract than the maximum fee. I find amongst those cases, eight in number, that there were three, at least, in which the contractor never reached his maximum fee. The showing was made through errors in transcription, either by Capt. Wessen's representative or by the employee in our office who wrote up the cards. But I have each one of those contracts here, and I can give you the exact facts. The first one is the Bryce Building Co., Fort Worth, Tex., for additions. They had a maximum fee of \$80,000, and received that sum. Capt. Wessen enumerates \$55,000, and the fee stipulated in the contract is a maximum fee of \$80,000, so that the two represent the same, instead of one being \$55,000 and the other \$80,000. The amount that he has given occurred through an error made either on the card which he saw or by the transcription taken. We find that some of the figures as taken down were incorrect.

The next one is John W. Cowper Co., Buffalo; aviation field. Capt. Wessen put down the maximum fee as \$29,500 and that they received \$29,250. That was evidently through an error in some one writing \$500 instead of \$250, because the proper amount is \$29,250.

The next is Charles F. Hart, Colonia, N. J.; railroad siding. He shows a fee earned, \$5,500; but the fee allowed, \$2,800. I find the maximum fee of \$5,500 was actually earned and paid.

The next case is the Hampton Roads Engineering & Construction Co., Newport News; temporary housing. He shows that the fee earned was \$75,000, but that the fee allowed was \$35,000. I find the fact to be that there was a maximum fee of \$75,000, but that they actually earned and were paid \$72,922.80. That work was curtailed because of the coming of the armistice.

The next one was Henry J. Miller, Baltimore; construction and alterations. Capt. Wessen has here a fee of \$10,743.82 earned, and a fee of \$10,000 paid. The contract shows that the maximum fee was fixed at \$16,000, but that the fee actually earned and paid was \$10,743.82.

The next one was the National Shipbuilding & Dry Dock Co., Port Newark; lighters. Capt. Wessen shows that the fee earned was

\$69,560.30, but that the fee allowed was \$34,000. The maximum fee under that contract was \$250,000 and the amount earned was \$69,560.36.

The next one is Snare & Treist Co., Raritan River; ordnance depot. Capt. Wessen said that the fee earned was \$349,332.18, but that the fee allowed was \$250,000. As a matter of fact the maximum fee fixed by that contract was \$349,322.18, and that exact amount was paid. That is a contract where the contract itself provided that the contractor would not be called upon to do more than \$8,000,000 of construction work—

Mr. McKENZIE (interposing). In regard to that last one, the Raritan River work, ordnance depot, you say the maximum fee in that contract was \$349,333.18. How did you come to let a contract with a maximum figure of that kind?

Col. SHELBY. I was just going to give you the explanation. The original contract was made with this provision for the work to be performed on the ordnance depot on Raritan River, near Perth Amboy, N. J.: "That the total amount of work authorized under this contract shall not exceed \$8,000,000, and that no work shall be ordered hereunder on a date later than six months from the date of the contract." That particular contract was taken up with the Secretary of War, and was approved in that form. I think reports had been made by a number of contractors that they could be put on one of these jobs, and with a description as meager as that they might be held to work forever. So he insisted he should not do more than \$8,000,000 of work at any rate, and not work longer than six months from the date of the contract. That was the contract in this case. It developed that the military necessities required much more construction at the Raritan ordnance depot than we ever contemplated. It became necessary to make a supplemental agreement. A supplemental agreement made upon our regular schedule of fees for the additional work would have given them almost \$250,000 more.

I entered into a supplemental agreement with them under which they were to be paid  $2\frac{1}{2}$  per cent for the work beyond \$8,000,000. And on that figuring of  $2\frac{1}{2}$  per cent for the additional work beyond \$8,000,000 as provided in the original contract, the sum came out at that figure. By doing it that way I think we saved something like \$125,000 that we would otherwise have had to pay—if we had started a new contract at the end of the first contract. I remember that very forcibly because I remember it took several days of negotiating and work on my part to have them agree to the  $2\frac{1}{2}$  per cent fee for that additional work.

Now, the next one was the M. C. Tredenninck Co., Camp Upton, additions. Their maximum fee was \$25,000 and the fee earned and paid was \$25,000. The card from which Capt. Wessen's representative got the figures did have \$5,000 on it. I looked at it myself. But I have got the contracts and have them all here. He stated in his testimony he had gotten it as best he could, but he wanted us to straighten the evidence out.

At another place in the evidence there was introduced a contract with D. W. McGrath, in which it is stated that the maximum fee was \$25,000. As a matter of fact, Mr. McGrath had what we call



our maintenance contract, with a \$15,000 maximum fee. He afterwards, when we started in with a new construction program, for enlargement there, or for the erection of a large hospital in addition to the one originally built, had his fee increased to \$60,000, because there was added to the contract this large hospital. The record, however, showed that to be the fact, that it was \$250,000. I do not know whether that was an error in our office in furnishing a certified copy, perhaps, on the old form with the printed amount of \$250,000 on it and perhaps somebody overlooked the fact that it had been changed, or not. The evidence would be gained if you referred to the supplemental contract, because the supplemental contract refers to a schedule of fees running up to \$250,000. The place in the record where this particular testimony is found is page 2192 of your hearings, part 30.

In going over the testimony of Capt. Wessen, the last that he put in, on the last day he was here, I was surprised to find a number of contracts where the maximum fee limitation did not apply. And I found it to be a fact that in that list are included all small contracts which were issued in the very beginning when we only had a single condition contract for original construction in such work. For instance, at each one of the 32 cantonments and camps there was a separate road contractor. The amount of funds available for that work, as I remember, varied from \$45,000 to \$75,000 for each of the several camps and cantonments, but the contract of that road contractor was made on the form without change, and that apparent maximum fee of \$250,000 was as a matter of fact \$5,000 or \$6,000 in some instances. So that there in that early part of the work the benefit of that safeguard of a maximum fee did not obtain.

Now then, in that list of 315 contracts—or 319 as Maj. Newton counted them—were included some 182 contracts that were in the height of their progress when the armistice came, and which were either entirely abandoned and settled under provision 8 of the contract or greatly curtailed so as only to finish units up to a certain point and stop, and in that way the maximum in the contract was never reached, and the printed schedule of fees determined the compensation.

Mr. McKENZIE. So that notwithstanding each contract contained a maximum fee of \$250,000 it was scaled down at varying percentages?

Col. SHELBY. Yes, sir. In other words, where the work was not finished the maximum fee did not apply but the schedule of rates did.

Mr. McKENZIE. On the rates of percentage affecting the amount of work done although a higher percentage prevailed?

Col. SHELBY. Yes, sir; that proved to be a great benefit to the War Department in settlements. That provision 8, I think, was one of the greatest protections in our emergency contract; it allowed the Government at any time for any cause it saw fit to abandon a project and settle up the contract. It enabled us to wind up hundreds of contracts without any disputes, it all being provided for, whereas in other departments of the War Department without a similar provision they are having these matters all out now and they will probably go to the Court of Claims.

Mr. DOREMUS. Are we to understand that so far as your contracts are concerned the so-called Dent law was not necessary?

Col. SHELBY. Yes; and I was very much surprised the other day to find that one of our contractors had filed a claim under the Dent law and actually got it allowed for additional compensation, although he had been fully reimbursed. I at once took the matter up with the contractor mentioned, and had the case reopened, went there and had the claim reconsidered and it was disallowed. There has been no one under the Dent law with us to get anything.

Mr. McKENZIE. Under that provision of the contract, of course, a contractor had no ground of complaint because he had not been permitted to complete the contract and get the maximum fee. No matter at what point the work might be stopped by the Government you simply apply the percentage applicable to his case, although he would get a higher rate!

Col. SHELBY. Yes, sir.

Mr. McKENZIE. The smaller the amount of work he had done the higher the rate of pay!

Col. SHELBY. Yes, sir; and it is equitable.

Mr. McKENZIE. And he had no kick?

Col. SHELBY. None whatever. But I wanted to draw a contrast between that and an ordinary form of contracting on approved forms in the War Department where lump-sum contracts are let. You will recall that in the bill approved the 11th of July, the construction of camps and cantonments was prohibited; that is, outlays and payments out of any appropriation in that bill or balance in any other appropriation was prohibited for camp construction. There were outstanding a number of lump-sum contracts at various places for specific things at those camps, extra things that had come up after the armistice, and when we got that word we notified the contractors to suspend. Now, then, those forms of contract had no provision in them that gave the Government the right to abandon the work. It is straight work to do a specific job, within a given length of time, for a certain amount. That time in every one of the cases is past, and the work is stopped, and under that contract the measure of damages, in the civil law—and I do not see how it would apply any differently if the Government were on the other side—would be the amount the contractor could prove to a jury he would have earned under that contract, in addition to his actual out-of-pocket expense. So that instead of having a method by which we could meet the immediate profit and stop, the old forms of contract had nothing of the kind in them. And, to my mind, they are vicious to that extent.

Mr. McKENZIE. That would be a weakness in that form of contract that should be cured.

Col. SHELBY. Yes, sir; this thing was taken care of by what was an innovation, and was for the benefit of the Government.

I want to bring to the attention of the committee one or two matters: While I bear no brief for the contractors yet it is interesting at least to know that there are such cases and such companies which have been doing work for our Government during this war. I have already referred to the Travelers' Insurance Co., of Hartford, Conn., making this refund of one hundred and fifty-four odd thousand

dollars. There was also a concern, known as the Central Construction Corporation. It had a contract with the Ordnance Department for the building of a proving ground at Gunpowder Neck, Md., over at Aberdeen. They had a 10 per cent straight cost-plus contract. After the original cantonment construction was practically over the Secretary of War directed that all construction for all branches of the War Department be done by our division, and we took over this contract. We discovered that up to that time there had been on that proving ground \$13,000,000 expended. Under that contract the contractor was entitled to receive \$1,300,000 as his fee, and even then the contract was not completed. There was still a considerable amount of work to do when we took it over. The contractor was brought in, and I remember that Mr. Dorr, assistant director of munitions, negotiated for a while, and then it came to me. We finally agreed that he should accept a supplemental agreement modifying the contract, and accept our maximum fee of \$250,000, provided we would ask them not to do anything beyond \$2,000,000 more in the way of work, making the entire construction \$15,000,000. They had already received \$600,000 in cash, and they took a portion thereof that they had in bank and paid back to the Government \$350,000, thus giving up what they had a legal right to and which they had already received, and in addition they gave up the balance of their already earned fee, in all, \$1,050,000, by that supplemental agreement. I like to state that case because you know there were others who did not do such things, and it is illuminating to know that there were some contractors who were willing to do it. It was a corporation, and in order to be sure that the president of that company alone was not imbued by excessive patriotism I drew up and had passed by all of the directors of that corporation, signed by them, authority on the part of the president, to make a supplemental agreement, giving up \$1,050,000 which the company had already earned, and accepting the maximum fee of \$250,000.

The other contract that I referred to, of the Raritan Arsenal, was a case which by negotiating we saved \$125,000 on the ordinary schedule of fees at our own rates.

I can point out numerous instances where when the war was on contractors did agree to do the fairest and most liberal and equitable thing. But this particular case of the Central Construction Corporation was unique in that they took \$350,000 out of their own pocket and paid it back to us. A man will frequently give up money that is coming to him but which has not already been paid, but to reach in bank and pull out money already paid, and then, too, when they had already earned under the terms of their contract a much greater sum not yet paid, is a very different thing and something extraordinarily unusual.

Mr. MCKENZIE. Col. Shelby, of course this will become a public record, so I want to ask you: Are you speaking of isolated cases, or is it your intention to convey the idea that as a class you found these contractors generous to the Government?

Col. SHELBY. I would divide them 50-50, which means to say that 50 per cent of them were liberal and fair and had no idea of profiteering in any way. I would also say that after the armistice came I noticed a considerable diminution in patriotism.

Mr. DOREMUS. As I understand it, there were four editions of this emergency contract?

Col. SHELBY. Yes, sir.

Mr. DOREMUS. In the edition subsequent to the first edition, did you fix the graduated fee to fit the particular job to be covered by the contract?

Col. SHELBY. The first edition was really a reprint from a mimeographed form that we used to make the 16 National Army cantonments contracts on. The second edition was identical, only it was another print and contained the same fee, starting with 10 per cent on the first \$100,000, and graduated down to 6 per cent, with a maximum of \$250,000. In using that second edition, however, in many cases we changed the maximum fee to suit and fit the estimated value of the work. For instance, on the 32 maintenance contracts they were all made \$15,000, because we figured the amount of the work to be done in the period of six months in the way of upkeep at those camps and cantonments would be about \$200,000 or \$250,000, and that \$15,000 would be a fair maximum fee. But the third edition of the contract, printed in February, 1918, contained an entire revision of the schedule of rates and contained a blank for the maximum fee. That started with 7 per cent and ran down to  $2\frac{1}{2}$  per cent, and that was the form of contract most largely used, because from that time on we never used any other schedule of rates. And here is the point I had great difficulty with contractors about on the making of contracts: They concluded that we were going to have a large operation at one of these camps or cantonments. For instance, they built a 500-bed hospital in addition on account of the Surgeon General's requirements. That was a job involving a million or more dollars. In making the supplemental agreement, if a maintenance contractor had proved efficient, capable, and had the necessary organization, he was given the work and we did it by a supplemental agreement to the maintenance work. But in fixing his maximum fee I had always before me our new schedule of rates under the third edition of the contract, and it was on that very point that this contractor appealed to the Dent Act and succeeded the other day in getting an allowance of his claim, but which I afterwards had disallowed.

Mr. DOREMUS. Let me ask you this: Did you ever have any complaints from contractors who did not like to sign this contract with the maximum upset fee incorporated, in view of the fact that under article 1 of your contract you had the power to order any additional work performed that you might deem desirable?

Col. SHELBY. Additions and subtractions. I had that brought up numbers of times, and it was always explained to the contractor that it was to give the Government a certain leeway but it was not intended to work a hardship on him, and that where he had fairly finished a job which we had in contemplation and described in article 1 of the contract, he would not be required to go on. That was brought up particularly, I remember, by the representative of Westinghouse, Church, Kerr & Co. when they got the contract for Camp Stuart, near Newport News, Va. He said:

You will break me on that contract. My overhead averages  $3\frac{1}{2}$  per cent on all our work, and we do anywhere from \$10,000,000 to \$50,000,000 worth of work a year, and we do it all on the 10 per cent basis.

I told him that in my opinion the work outlined would not be over \$8,000,000. He wanted me to put that in the contract, and I would not do it. The only place where that plan was followed was in the case of the Raritan Arsenal, when it was done by the Secretary of War. Then we got an opinion from The Adjutant General, when the question came up before the Senate committee as to why we had not required Thompson & Starrett to do maintenance work at Camp Upton.

Mr. McKENZIE. At no time during the construction period did you have competitive bidding under the maximum fee, did you?

Col. SHELBY. No. I believe that to-day there is considerable work being done where a certain class of contractors are being asked what they will require as their fee to do this work on a cost-plus basis, and they are getting some competition on that. But there was none then. For instance, this contractor I told you of who went before the Board of Adjustment in order to get an additional fee under the Dent Act, did so because he was not satisfied with my having fixed his maximum on the new schedule when he had an old maintenance contract with the high schedule—and that man had said he was willing to take that work for a dollar. That is an instance where patriotism diminishes after the armistice. He got \$50,000, but instead of my maximum fee he had earned, according to the maintenance-contract percentage fee, \$59,000. That is what he was allowed by this board, where he got it, but, unfortunately, when I went before the board it was disallowed.

Mr. McKENZIE. Unfortunately for him, but fortunately for the Government?

Col. SHELBY. Yes, sir.

Mr. DOREMUS. I am just reminded that we incorporated in the record to-day some correspondence bearing upon the offer of Westinghouse, Church, Kerr & Co. to take cantonment work for a fee of  $3\frac{1}{2}$  per cent of the cost.

Col. SHELBY. What was the date of that correspondence? Was that prior to Camp Stuart, I wonder?

Mr. DOREMUS. No; it was a letter written by the representative of Westinghouse, Church, Kerr & Co. to Mr. Wessen.

Mr. McKENZIE. To Mr. Chantland.

Col. SHELBY. That is since the armistice, of course?

Mr. McKENZIE. Giving copies of telegrams.

Mr. DOREMUS. I do not remember the date.

Col. SHELBY. I am surprised by reason of the statement made to me by the representative of Westinghouse, Church, Kerr & Co. when I was negotiating about Camp Stuart that their overhead was  $3\frac{1}{2}$  per cent, and that we would break them if we went on further with that work, and he added that they wanted a limitation put in the contract.

Mr. DOREMUS. Here is the point I am getting at: Assuming for the purpose of the question that all this cantonment work could have been done on that basis; that is, for  $3\frac{1}{2}$  per cent of the cost, without a maximum upset of \$250,000, would the Government have saved any money?

Col. SHELBY. No, sir; it would have lost money because our construction did not cost that amount.

Mr. DOREMUS. That is the point I am getting at.

Col. SHELBY. On one of the largest construction projects handled by our division the contractor made less than 1 per cent.

Mr. MCKENZIE. How much fee did he get?

Col. SHELBY. Two hundred and fifty thousand dollars. This was one of the large Army bases, at Norfolk, Va. He was there a year and a half, almost two years. And it was done by the biggest and best organization, as I remember, of any of them.

Mr. DOREMUS. After the original cantonments were completed did the work slack up so that it was possible to consume time in preparing plans and specifications, to advertise for proposals for the work, to classify bids, and so forth, before getting the contractor on the job?

Col. SHELBY. To my knowledge there never was a job sent to the Construction Division before the armistice was signed that did not have written notice thereon that it was an emergency proposition, and that there was urgent necessity for it at the earliest possible time.

Mr. DOREMUS. In view of your last answer I will ask, was that the reason why the emergency form of contract was continued in use?

Col. SHELBY. Yes, sir; we continued every job we had of the emergency type up until the armistice was signed.

Mr. DOREMUS. Perhaps you have already covered this, but I will ask you the question anyway: What was your experience with contractors in regard to demands for large profits and insistence upon what is commonly known as their pound of flesh?

Col. SHELBY. I think I answered that a minute ago when I divided them into two classes and pointed out one high light or two.

Mr. DOREMUS. What do you know about the Central Construction Corporation, of Edgewood, Md.?

Col. SHELBY. That is the one I referred to. Powder Neck and Edgewood are one and the same place; I take it one being the post office and the other being the physical location.

Mr. DOREMUS. I believe that is all I wish to ask

Mr. MCKENZIE. Then we are much obliged to you, Colonel.

#### TESTIMONY OF MAJ. GEN. JAMES G. HARBORD, UNITED STATES ARMY, WASHINGTON, D. C.

(The witness was duly sworn by Mr. McKenzie.)

Mr. MCKENZIE. General, I wish you would give your full name to the reporter.

Gen. HARBORD. My name is James G. Harbord.

Mr. MCKENZIE. You are a major general in the United States Army?

Gen. HARBORD. Yes, sir.

Mr. MCKENZIE. What branch of the Army are you commissioned in?

Gen. HARBORD. I am commissioned a major general in the United States Army now. I was commissioned an officer in the Cavalry, and before that I was an enlisted man in the Infantry.

Mr. MCKENZIE. How long have you been in the Army?

Gen. HARBORD. I have been in the Army as an enlisted man since the 10th of January, 1889.

Mr. MCKENZIE. You are not a West Pointer?

Gen. HARBORD. No, sir.

Mr. McKENZIE. You came up from the ranks, as we say?

Gen. HARBORD. Yes, sir.

Mr. McKENZIE. Did you accompany the Expeditionary Forces to France?

Gen. HARBORD. Yes, sir.

Mr. McKENZIE. And you started in as an enlisted man?

Gen. HARBORD. I served as an enlisted man in the Infantry, but got my commission in the Cavalry, and served with the Cavalry upward of 30 years.

Mr. McKENZIE. What position did you serve in in France?

Gen. HARBORD. From the time of my arrival in France in June, 1917, to the 5th of May, 1918, I was Chief of Staff of the American Expeditionary Forces; from the 5th of May to the 29th of July I commanded the marine brigade with the Second Division of the American Expeditionary Forces. On July 29 I was assigned to command the services of supply, which I held until May, 1919, when I was again detailed as Chief of Staff, which position I held until about the 20th of August, when I was detailed on a mission to Roumania, from which I returned the 11th of November.

Mr. McKENZIE. As such officer did you have opportunity to observe the work of the various branches of the service over there?

Gen. HARBORD. Very full opportunity; yes, sir.

Mr. McKENZIE. A few days ago Col. Sherrill testified before this committee, and his testimony is shown at page 2385 of the record, in which he paid rather a high compliment to the Engineers in France. I want to ask you what you have to say of that record from your observation as to their ability to get work done?

Gen. HARBORD. I was asked over the phone on yesterday, I believe, by Col. Chantland, something about this matter. I have a prepared statement here, which will probably run a little more smoothly than if I attempted to talk it off extemporaneously, and if there is no objection I will read it.

Mr. McKENZIE. The committee will be glad to have you do that, General.

Gen. HARBORD. And if you wish to ask any questions while I am reading the statement I will be glad to have you do so.

Mr. McKENZIE. We will be very glad to have you make your statement in your own way.

Gen. HARBORD. The statement which I have prepared for more convenient presentation to the committee, is as follows:

The engineer construction work for the Army in France was probably accomplished under far greater difficulties than was similar construction executed in the United States. In the first place, we were operating in a foreign country, with an unfamiliar language, at great distances from our sources of supply, with every energy of the French nation strained to the utmost to carry on their own activities and the activities of the other allied armies operating therein, with no available force of well-organized engineering construction corporations impelled by patriotic enthusiasm to undertake military projects on request of our engineers. Every type of material used in construction was extremely difficult to secure in France, it being necessary to ship it from the United States or to go into the forests, in the case of all kinds of timber, and procure it with our personnel sent over from America. Moreover, the supply of available labor, outside of our troops, was extremely small, consisting of most inefficient types of labor, such as Chinese coolies, Spanish and African laborers of heterogeneous types.

This work in France, was further complicated by the enormous demands made on shipping and all other transportation and supply facilities for the rapid movement to France of the units of troops themselves at the same time that the construction materials and organizations required transportation.

In the United States, on the contrary, the construction agency had at its disposal the entire resources of the United States in construction matters, and there was nothing to delay the initiation and execution of construction projects. This was true not only as to personnel and organization both for supervision and execution, but also of material needed for the construction work.

It seems to me probable that the Corps of Engineers, with its district offices distributed throughout the entire area of the United States, could have undertaken the construction of the cantonments, allotting one or two of these cantonments to each district office, in such a way that the work could have been pushed to a conclusion without noticeable delay, difficulty, or unwarranted expense.

It is stated that the construction work in the United States was delayed for the preparation of forms of contract to be adopted, for the preparation of surveys of cantonments, and the preparation of plans, whereas, under the system the engineers used in France, the work could have been started immediately on the selection of the cantonment sites, without the necessity of waiting for any of the preliminary arrangements mentioned above. As a matter of fact, in France our engineers made no surveys whatever of cantonment sites before commencing construction, and this method could readily have been followed in the United States by placing competent Engineers as supervisors on each job, and proceeding at once, by hired labor, to execute the first steps in the cantonment construction projects.

The extent of the work carried out in France was practically equivalent, in general, and in some cases probably greater than that done by the Construction Division in the United States. This has been summarized by a disinterested reserve officer, Col. Leonard P. Ayres, of the General Staff, as follows:

"The conduct of the war in France necessitated a construction program comparable in magnitude and number of projects with that in the United States. Less new building was required for shelter and for the manufacture of munitions, but more for the development of port and railroad facilities and for the repair and operation of the complicated equipment of a modern army.

"The storage space constructed in France was more than nine-tenths as large as the amount built at home. Hospital capacity constructed in France was twice the new capacity at home."

To accomplish this work in France it was necessary to assemble material from Switzerland, England, and the Scandinavian countries, as well as from Holland, Belgium, and France. The militarized labor was not sufficient, and it was necessary to import laborers from those various countries as well as from Asia and Africa. This introduced difficulties of supervision, administration, and supply not existing in the United States. Due also to the activities of the enemy and his varying successes, changes in plans were numerous, and not infrequently the Construction Division of the S. O. S. was more or less completely stripped of its material and labor to meet the situation at the front. A study of detailed statistics will demonstrate that the problem confronting the Division of Construction of the Engineer Department abroad was far more difficult than that which had to be solved at home. No contractors with their organization and facilities were available in France, and the work there had to be done by day labor, necessitating an organization from the ground up and the utilization of whatever material or labor could be found.

The Engineers in France were further seriously handicapped by the demands made on the engineering construction resources of the United States by construction here, without any power of coordinating the requirements at home and at the front. If both of these projects had been under the same chief, the coordination which could have been secured would have much facilitated the economical and rapid completion of both projects.

In order to avoid this competition in time of war for personnel and material for engineer construction for the military operations, it is absolutely essential that there should be one head to all of such work, who, in my belief, should be the Chief of Engineers.

#### SUMMARY.

*Labor.*—At first there was practically no labor available, as the English and French were using all available man power. The first Americans in France



had to be put into the line or into training. The necessity for construction, however, made it necessary to hold out temporarily certain combat troops for this work before sending them to the front. This ever-changing personnel, including supervision as well as labor, made the difficulties great. Some Chinese labor was obtained from the French, and Marseilles and the Mediterranean ports were combed for labor, with results that gave us men of a dozen different nationalities and men physically weak and diseased. Russians from divisions that would not fight and Italians from troops that were not considered safe to put into the fighting line were also used. All of this labor was lacking in skill. Differences in language and in customs frequently caused refusals to work and there was always much misdirected energy. The Chinese at first were like a drove of chickens, and in some cases where large numbers were employed it was necessary to give them a certain amount of military drill to obtain prompt feeding and moving from barracks to work. To add to the difficulties of the construction officers, in general, all labor, both foreign and American, had to be fed, clothed, and taken care of by the engineer officers supervising the construction. Normally, technical supervision would be all that would have to be given.

**Materials.**—Any materials that could be obtained had to be used and in many cases structures had to be designed to fit available material. For instance, round poles had to be used in place of square poles in many cases. Rough lumber had to be used throughout. Lumber obtained from Switzerland and in many cases from our own mills was often not squared.

Steel buildings shipped from America and England arrived with vital parts missing, and substitutes of wood and steel had to be improvised.

Water tanks had to be designed and fabricated on the work. To meet the need for encircling bands, turnbuckles had to be improvised.

Water pipes had to be laid by utilizing all sizes of pipes and pipe fittings available.

The first storehouse in Glevres was erected with round poles and the roughest kind of lumber cover and tarpaulins.

Entire houses in the camouflage depot were made of canvas, as lumber was not available.

**Plant machinery, etc.**—Machinery generally reached the construction plant with vital parts missing, and months would be lost in supplying such parts or by making substitutes.

Certain pumps for the ice plant at Glevres were never obtained. The pipe line broke eight times, through defective pipe. Substitutes had to be improvised to meet the situation.

When road rollers were obtained, they were frequently not operated, due to missing parts.

**Railroad transportation.**—Rail transportation was always so short that construction materials could not be delivered as needed, since food and ammunition had priority. On the French railroads, cars were frequently completely lost, which resulted in failure to receive necessary materials. At the date of the armistice, the construction forces were short on promised deliveries at least 30,000,000 feet of timber, though there was probably double that amount at the mills and at ports. The monthly output of the mills was approximately 50,000,000 feet. Piles 60 to 100 feet in length for the wharves at the ports had to be transported from the Vosges Mountains, in eastern France, and deliveries were always slow, due to car shortages and the difficulties experienced in getting the desired lengths to railroad points.

The construction of the railroad yard at Glevres was carried on for months with only one or two days' supply of ties on hand, on account of shortage of railway transportation. Careful supervision was, therefore, necessary to see that only absolutely necessary tracks were laid, and that ties were used sparingly and with extended intervals. Splice bars were frequently used with half the required number of bolts. In many cases ballast could not be hauled, so tracks had to be maintained without ballast. At Liffol-le-Grand in August, two months before the wet season, we had about 65 miles of track graded, 35 miles laid, with less than 5 miles of track ballasted.

**Motor and wagon transportation.**—All available transportation had to be sent to the front line, so construction lines had to do without. The conditions in the advance section were so bad, on account of lack of motor transportation, that our materials piled up at railway stations to such an extent as to cause trouble with the French officials, and this in spite of the fact that there was the greatest shortage of materials at each individual camp.

**Tools.**—There was always a shortage of proper working tools, and it was difficult to equip properly even the labor available. In many cases French tools had to be used, such tools not being at all suited to American workmen, on account of their different pattern and being so deficient in strength as to be constantly breaking.

**Contract work.**—A number of contracts were made with French, English, and American firms, but since none of these firms could accomplish the work fast enough, most of them had to be taken over or great assistance given the contractor. In the advance section all contract work had been revoked some months previous to the date of the armistice. Practically all the work of Stone & Webster had to be done by the Director of Construction and Forestry.

I would like to say in conclusion of this part of the testimony that there could hardly be a more diversified line of work than was done by the Engineers in France, which included all construction of port facilities, docks, wharves, storehouses, railroad tracks, sidings, switches, and the construction of something like 20,000 barracks in various parts of France, the construction of remount stations, remount depots, office rooms, alteration of French barracks and making them suitable in part for offices and things of that sort; and, in short, almost every conceivable form of construction. There is hardly a type of construction that could be thought of that was not included in the work of the Engineer force in France. I consider that the work they did over there was as well done as was the work of any staff department over there, and it was exceedingly creditable. I do not see very well how it could have been done better.

There has been brought to my attention an article prepared for publication which presents very clearly a statement of the way the Engineers performed their construction duty in France, which contains some rather detailed items of interest, and it is available for the record of your hearing as a more complete statement on this subject in case you desire it.

Mr. McKENZIE. Can you leave that for insertion?

Gen. HARBORD. Yes; that is the reason I brought it up here.

(The paper furnished by the witness is here printed in full in the record, as follows:)

[From January-February issue of the Military Engineer, Journal of the Society of American Military Engineers.]

THE MILITARY ENGINEER—ENGINEER CONSTRUCTION IN FRANCE—WORK OF THE DIVISION OF CONSTRUCTION AND FORESTRY,<sup>1</sup> A. E. F.

[By Lieut. Col. J. A. Woodruff, Corps of Engineers, United States Army. Discussion and comment by Maj. Gen. W. C. Langfitt, Maj. Gen. M. M. Patrick, Brig. Gen. Edgar Jadwin, Col. J. B. Cavanaugh, Col. Ernest Graves, and an extract from the final report of Gen. Pershing. See Index map, p. —.]

With the exception of a few barracks erected in the Gondrécourt area by troops of the First Division immediately after their arrival in their training area, the actual work of construction by the American forces in France was

<sup>1</sup> [The Division of Construction and Forestry in France in its final form was one of the four great departments of the Engineer organization under the Chief Engineer of the American Expeditionary Forces. Its history began with the arrival of Gen. Pershing in France when Gen. Taylor, the Chief Engineer, assigned to one of his assistants the duty of directing the construction immediately necessary and planning for that ultimately to be required by the American forces.]

In August of 1917 the lines of communication were formally organized to handle all phases of supply, housing and transportation in rear of combat sectors. Construction devolved upon the chief engineer of the lines of communication and was so continued until by a reorganization in February of 1918, the lines of communication were designated as the Services of Supply. This included as one of its great operating divisions a Service of Utilities, with Maj. Gen. William C. Langfitt at its head as Chief of Utilities. This service included among other functions a Department of Construction and Forestry and a Department of Light Railways and Roads. In July of 1918, the Service of Utilities was discontinued as such and the two departments named were merged with the previously existing Engineer Department. The chief of

commenced by the Fifteenth (Railway) Engineers, Col. Edgar Jadwin, C. E., commanding. This regiment was one of those raised in May, 1917, as a result of the Joffre Mission to the United States. It arrived at Vierzon July 28, 1917; its equipment, which consisted of about a trainload of tools and plant brought from America, also arrived promptly. The regiment at once began surveys, and construction detachments were distributed without delay to Issoudun, Bordeaux, Gondrecourt, and other important points between the Atlantic ports and the combat sectors.

The Seventeenth Engineers (Railway), Col. J. S. Sewell, Engineers, commanding, arrived at St. Nazaire August 17, 1917; the Sixteenth Engineers (Railway), Col. Harry Burgess, C. E., commanding, arrived at Is-sur-Tille August 26, 1917; the Eighteenth Engineers (Railway), Col. J. B. Cavanagh, C. E., commanding, arrived at Bordeaux August 20, 1917; the Tenth Engineers (Forestry), Col. J. A. Woodruff, C. E., commanding, arrived at Nevers October 9, 1917 (later consolidated with the Twentieth Engineers, Forestry). Other regiments, such as the Eleventh, Twenty-third, Twenty-fifth, Thirty-third, Fifty-fifth, Thirty-second, One hundred and sixth, One hundred and ninth, Three hundred and ninth, Three hundred and eleventh, Three hundred and eighteenth, Three hundred and nineteenth, and many other regiments and battalions performed valuable service during the time they were in the S. O. S., but the Fifteenth, Sixteenth, Seventeenth, Eighteenth, Tenth, and Twentieth, by virtue of their early arrival and long service may be considered as having formed the backbone of the field construction forces of the Services of Supply.

The organization as modified by Gen. Jadwin in May, 1918, consisted of a central office at Tours, the headquarters of the Services of Supply, organized into four sections, viz: Administration, General Construction, Railroads and Docks, and Forestry, all in charge of a deputy director.

The construction work in the field was carried on through section engineer officers whose territory corresponded with that of the sections of services of supply and consisted of an advance section, an intermediate section (divided into two construction sections on account of its extent), and seven base sections, each embracing the territory around a port of debarkation.

The forestry work in the field was carried on through district commanders, each of whom also commanded a battalion of the forestry troops which operated from two to eight sawmills. The districts in the advance section and those in Base Section No. 2, where most of the forestry operations were located, were combined under a section forestry officer. These officers acted directly under the central office for production and shipments outside their own section, but filled local requisitions on orders of the section engineer officer in whose section they were located.

The changing and rapidly increasing force, together with the size which it had attained at the time of the armistice—150,823 men, of which 127,000 were available for work—and its wide distribution, called for an elastic and adaptable organization and methods.

This was obtained by means of a decentralized organization and the use of type plans as far as practicable. The work was handled by the Director of Construction and Forestry with a central office at Tours, operating through a section Engineer officer in each of the sections. General instructions were originally given to the section Engineer officers, who were supported consistently so long as they observed the general policies of the director and of higher authority. Every possible help was given them by the central office in the securing of men and materials. The central office, under the immediate charge of the deputy director, carried on continuously along established poli-

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utilities became the head of the consolidated department and succeeded to the title of the Chief Engineer, A. E. F. The previously existing activities connected with military engineering operations, engineer supply, construction and forestry, and light railways and roads, were continued as operating divisions of the new and enlarged Engineer organization with a director at the head of each.

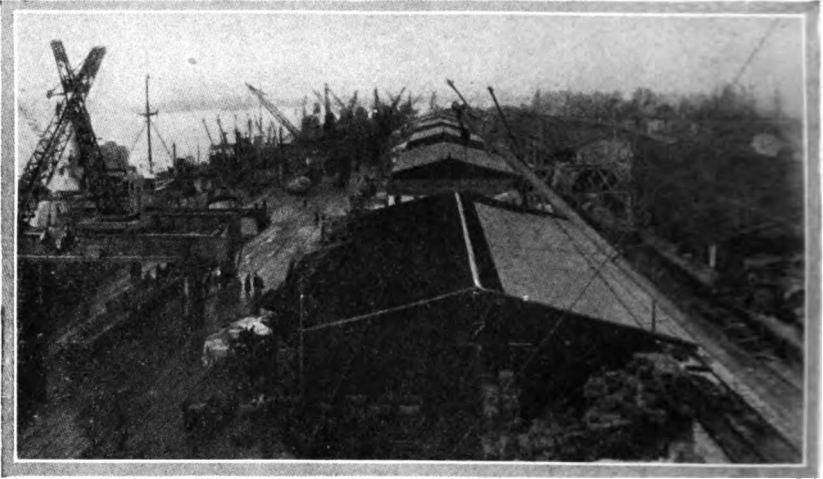
For brief periods in the summer months of 1917, Col. C. W. Kutz and Brig. Gen. C. H. McKinstry served successively as chief engineer, lines of communication. Brig. Gen. M. M. Patrick was appointed chief engineer, lines of communication, in September, 1917, and discharged the duties of the position until May 22, 1918, the title having been changed in the meantime to that of Director of Construction and Forestry, with no material change in duties. Gen. Patrick having been appointed Chief of the Air Service, A. E. F. he was succeeded as Director of Construction and Forestry by Brig. Gen. Edgar Jadwin, who remained in charge of the construction work of the A. E. F. until demobilization of the forces had been practically completed in July, 1919.—Ed.]

See editorial at close of this article.

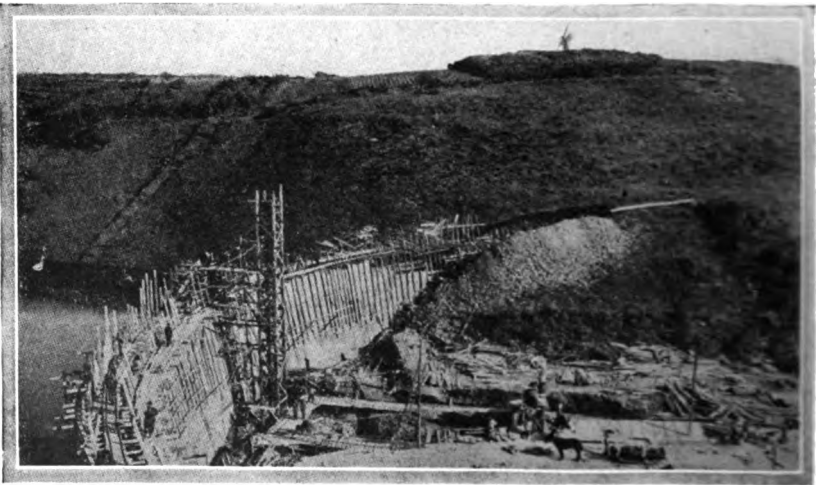




**SOME OF THE WORKS OF THE**



**THE GREAT DOCKS AT BASSENS WITH UP-TO-DATE FACILITIES—BUILT AND EQUIPPED BY AMERICAN ENGINEERS AT A SPEED THAT CAUSED THE FRENCH TO MARVEL.**



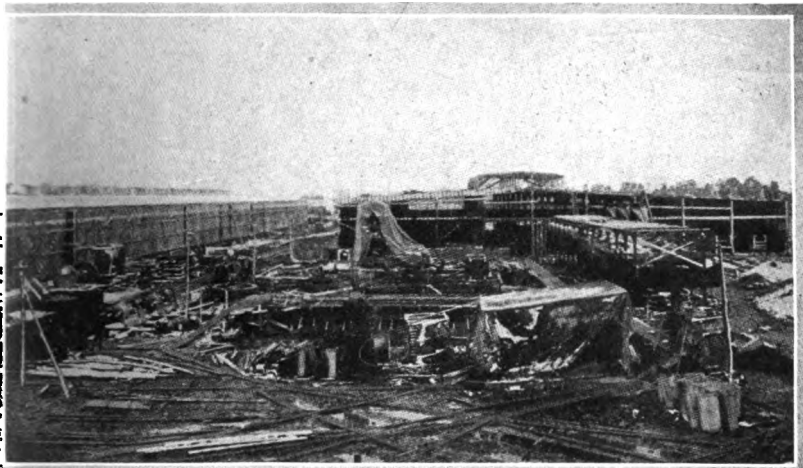
**SAVENEY DAM, 40 FEET HIGH, 6,000 YARDS CONCRETE, 10,000,000 GALLONS STORAGE.**

Great engineering projects of every kind are indispensable to victory in modern wars, including water and rail terminals, docks, light and standard railways, bridges, roads, electrical installations, refrigeration, etc. With unlimited zeal, enthusiasm and skill, plant and materials, and the necessity of conducting difficult work in a foreign country, they contributed to the great victory of civilization.

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## AMERICAN ENGINEERS IN FRANCE.



THE GREAT REFRIGERATING PLANT AT GIEVRES UNDER CONSTRUCTION. CAPACITY 7,500 TONS OF MEAT, AND 500 TONS OF ICE DAILY.



THE RAILROAD BRIDGE AT NEVERS. BUILT IN "JIG-TIME" TO CARRY HEAVIEST LOADS.

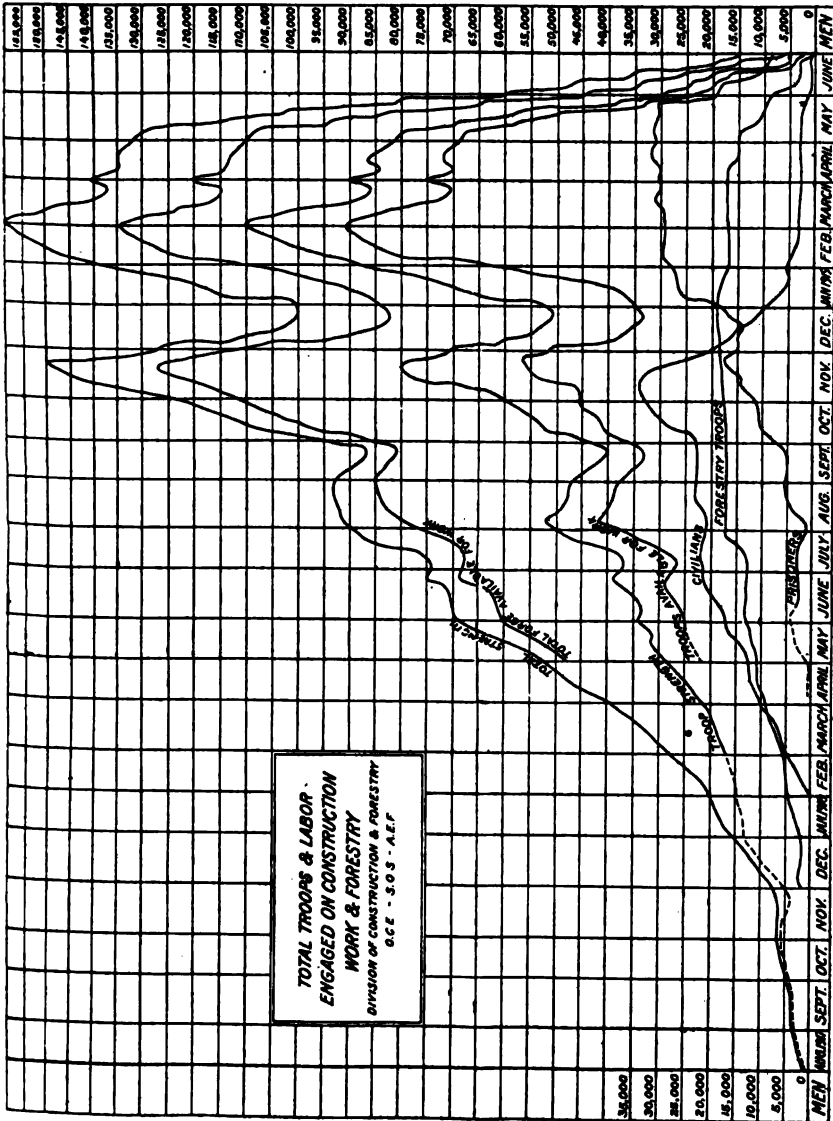
war. The Engineers with the A. E. F. undertook vast works of every conceivable class, buildings of all kinds and all materials, machine shops, dams, water supply, sewerage, patriotism, joyously surmounting all the difficulties resulting from inadequate per-land across the seas, they rapidly and successfully accomplished every task assigned





cies and precedents. The director was thereby enabled to spend considerable time in inspections and consultations with the officers in the field, and the consideration of special suggestions, recommendations, and requests made by the various section Engineer officers and others concerned.

The results confirm this as a satisfactory type of organization for handling a large construction force under such varying and trying conditions.



but the need for them and combatant troops at the front and the inadequate transportation facilities made it impossible to obtain adequate technical troops and common labor. The use of civilian labor recruited from men not physically suited for service at the front was not a success. Because of this constant shortage, it was necessary to curtail the construction program at all times and to limit it to bare necessities.

The various classes of construction work carried on may be subdivided into—

1. Shelter for troops, including camps of various types such as rest and depot division areas, embarkation camps, camps for stevedores, women's camps, enclosures for American prisoners and prisoners of war, instruction centers, and schools for Army, corps, Artillery, Aviation, Tank, Motor Transport, Ordnance, Chemical Warfare Service, etc.

2. Hospitalization, consisting of base, camp, evacuation, and Red Cross hospitals and convalescent camps.

3. Ports, comprising the construction of docks and warehouses thereon, railroad connections, and lighters.

4. Railroads, including engine terminals, regulating stations, double-tracking at various congested points, cut-offs, receiving, classification and departure yards and tracks in storage depots, and their connection with the ports.

5. Storage depots, including large storage depots required at the ports and in the intermediate and advance sections; also special ammunition and aviation depots, coal storage yards, gasoline and oil stations, motor transport centers, remount depots, veterinary hospitals, refrigerating plants, and salvage plants.

6. Roads.

All of the above work was in sole charge of the Division of Construction and Forestry from its beginning, except the following:

- (a) Railroad construction, which was in charge of the C. E., L. of C., up to September 14, 1917, when it was turned over to the Transportation Department. It was again placed under the Division of Construction and Forestry on March 12, 1918. Of the 1,035 miles of railroad constructed, 62 miles, or 6 per cent, were constructed while the work was in charge of the Transportation Department.

- (b) Air Service construction, taken over by the Division of Construction and Forestry on December 31, 1917, when approximately 7 per cent of the total work had been completed.

- (c) Ordnance construction, assumed by the Division of Construction and Forestry on January 17, 1918. About 1 per cent of this work had been completed before that date.

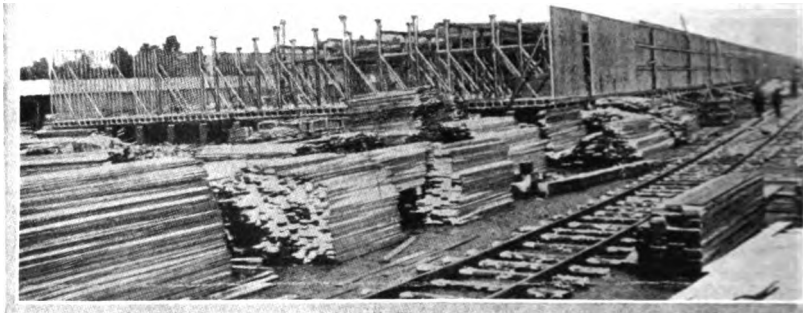
#### SHELTER FOR TROOPS.

Both in scope and general character of construction, the problem of providing shelter for troops had many features in common with the one of building hospitals. In fact, it was generally the erection of demountable barracks that served to initiate engineer troops newly arrived in France into actual construction work on foreign soil. Towns were flooded far beyond their billeting capacity as the stream of American soldiers came to flow inland from base ports, so that additional accommodations on a large scale in the form of camps of various types had to be furnished. The engineer department undertook the task of supplying barracks for one-third of the United States troops in France, assuming that the remainder would be billeted.

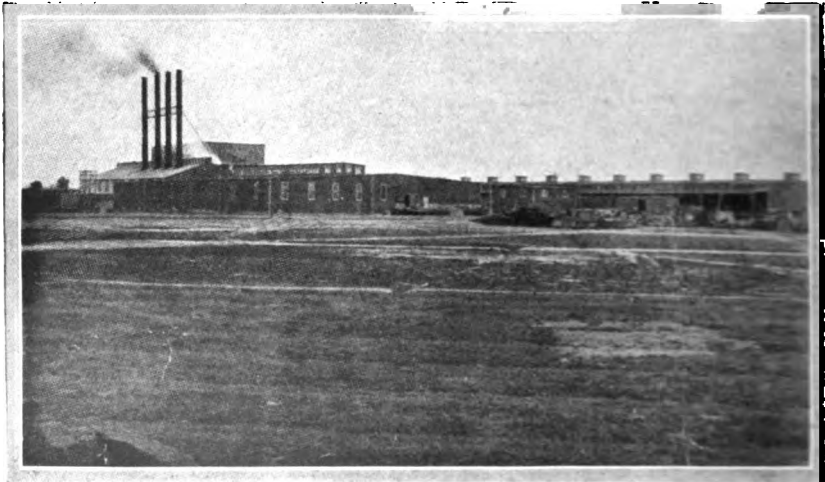
According to G. O. No. 46, G. H. Q., A. E. F., 1917, prescribing the allowance for troops as 20 square feet per man, in addition to kitchens and mess halls, 16 barracks 20 by 100 feet were required for 1,000 men. Contracts were made for demountable barracks with the French and British Governments and with civilian contractors in France and Switzerland. A total of approximately 23,000 barracks were contracted for, of which 15,000, including 4,500 hospital barracks, were delivered. Most of them were of the demountable type. Deliveries were very slow except during August, September, and October, 1918, when over 1,000 barracks per month were received. On account of these slow deliveries it was necessary to construct barracks in place from lumber furnished by forestry troops. Two types of barracks were developed, utilizing the minimum of lumber. Type B barracks required only 6,100 feet b. m. of lumber, and the type C barracks using corrugated iron roof and sides, with frame of wood, requiring only 1,600 feet b. m. of lumber. These barracks were furnished with four-man bunks and would accommodate about 100 men.



## BUILDINGS FOR THE



**LARGE STORAGE WAREHOUSE UNDER CONSTRUCTION.**



**REFRIGERATING PLANT, COMPLETED AND IN OPERATION.**

2856—1

169909—VOL 2.

**GREAT DEPOT AT GIÈVRES.**



**LARGE WAREHOUSE, TYPE D, UNDER CONSTRUCTION.**



**VETERINARY HOSPITAL.**



A total of approximately 17,120 barracks were erected, which represents 324 miles of barracks.

The largest camp involving the construction of barracks and other facilities was the Pontanezen Camp at Brest for 80,000 men—25,000 in tents and 55,000 in barracks—for which over 500 barracks for officers and men were constructed. There were also constructed for this camp 15 mess halls and kitchens, each with a rated capacity for 4,500 men per hour; a complete bathing, delousing, and laundry plant and numerous administration, storage, and welfare buildings. The tendency at the larger concentration and embarkation camps has been toward large kitchens operated by permanent personnel. There have been several types of these kitchens developed, the largest of which are those at Pontanezen Camp, where although these have a rated capacity of 4,500 men per hour, one of these kitchens has a record of 7,000 men served in 58 minutes.

#### HOSPITALIZATION.

In August, 1917, instructions were issued to provide for hospitalization on the lines of communication for 300,000 men. In September, 1917, nine French hospitals were taken over, each of which was a nucleus for a hospital center, the original total capacity being about 6,000 beds, which were finally developed into about 34,800 beds.

During the fall of 1917 it was found impossible to obtain many existing hospitals from the French, so that preparations were made to construct a large number of barrack hospitals. Meanwhile, hospitalization had been tentatively authorized for 10 per cent of the strength of the A. E. F. A great deal of time was consumed in determining upon the sites, due to the necessity of meeting the conditions proposed by French and American services interested. Plans of the standard-type barrack hospital were developed. A type A standard hospital provided for 1,000 normal beds and 1,000 beds by crisis expansion in tentage, and a type B camp hospital provided 300 beds.

The experiences of both the French and English were freely consulted in original type plans and much attention given in the preparation of revised plans to economy of materials and personnel. For further economy in personnel, administration, and supply, hospitals were grouped, as far as local conditions would permit, into centers of hospitalization. These centers were usually developed in multiples of the type A 1,000-bed base hospital to any size required.

Contracts were at once made for hospital barracks, but deliveries were slow and resort was had to construction in place, using materials most available. Most hospitals were constructed of lumber, but in some cases light masonry walls and concrete floors were used. At first a number of contracts for this work were let, as the contractors were then able to obtain materials, supplies, and labor not available to the A. E. F. This advantage steadily decreased during 1918 as the A. E. F. obtained access to all markets for materials and as the quantity of troop labor increased, while at the same time it became increasingly difficult for the contractors to get labor and materials and to obtain transportation.

In May, 1918, the rate of troop arrivals was doubled, and on June 1, 1918, the commander in chief directed that there be maintained an actual current bed status aggregating 15 per cent of the A. E. F. strength in Europe. The immediate effect was to triple the necessary rate of hospital construction. This increased rate was more than met.

On November 14, 1918, due to the cessation of hostilities, the authorized capacity of hospitalization was reduced to 7½ per cent. At that date bed space had been provided for 280,000, or 14.2 per cent of the strength of the A. E. F.

Of the hospital space of 280,000 beds provided on armistice day, 139,000 beds were in French buildings, and space for 141,000 beds had been provided by construction. In other words, slightly over one-half of the total hospitalization was provided by construction. This amounted to 7,700 hospital barracks, which represents 127 miles of wards.

In the 1,000-bed base hospitals spacing of beds provided for 3 feet 4 inches between beds. This gave 1,000 patients per unit, unit consisting of 20 ward buildings and other buildings necessary for administration, feeding, operating, etc., and 13 buildings for personnel.

As indicated above, the D. C. & F. was always able to keep ahead of the number of patients on the standard basis, taking into consideration the French hospitals secured and tents erected. The standard 1,000-bed hospital unit

contemplated tentage to the same amount, so that 2,000 men would be handled in these units in emergencies with the same general facilities intended, in normal times, for 1,000. Due to the lack of sufficient medical personnel and equipment to operate all the hospitals, particularly those in French buildings, and to the shortage of tents, there were frequently more than 1,000 men placed per unit of the base hospitals, as those units enabled the largest number of men to be taken care of with the minimum medical personnel. At times the number thus handled per unit was as great as 1,500.

The maximum number of beds occupied by sick, wounded, and convalescent never exceeded 10 per cent, and the available bed space since the first week in July, 1918, was at all times at least 50,000 beds in excess of the number of beds occupied, although tentage for crisis expansion and operating personnel was not provided in sufficient amount to match the bed space provided by construction.

The large scale of hospital construction is typified by the 20,000 bed type. A base hospital centers at Mars and Mesves in the intermediate section, each with 4,000-bed convalescent camps, including road, water, sewerage, and lighting facilities, and other features necessary that the projects might function as full grown municipalities. Each of the 20 1,000-bed units was entirely self-contained and provided for the functioning of a completely equipped hospital, in addition to the buildings for administration and quarters for the operating personnel. In each unit were 20 ward buildings, in addition to kitchens, dining rooms, storerooms, operating buildings, laboratory, morgue, baths, and personnel quarters, a total of 58 buildings per unit.

Work on the Mars Hospital project was commenced February 23, 1918, and was 60 per cent complete when stopped by the armistice on November 11. At that time 700 buildings, covering a floor space of 33 acres, had been completed and 14,000 wounded and sick American officers and soldiers were housed in comparative comfort, and provided all the facilities of a great modern hospital. In the specially designed operating rooms the most delicate operations of modern surgery could be undertaken with as much confidence as in the best appointed hospitals in the United States. The provision of these facilities necessitated the construction of a water-supply system, involving a 10-inch pipe line 5 miles long and a 100,000-gallon reinforced-concrete reservoir; 6 miles of standard-gauge railroad; thousands of feet of concrete sewer pipe, and a 15,000-volt transmission line 11 miles long; maximum labor employed, 4,152 men.

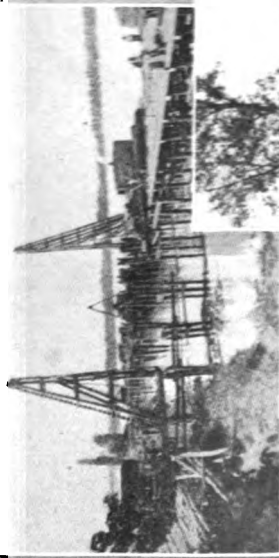
In its scope and general layout the hospital project at Mesves was practically a duplication of the 20,000-bed base center at Mars. Access to the site was provided by the construction of 3 miles of standard-gauge railroad, and on April 23, 1918, the first trainload of material was unloaded. At the time the armistice was signed more than 4,000 carloads of construction material had been delivered and quarters had been provided for over 20,000 patients. An idea of the magnitude of some of the work involved may be obtained by considering the fact that the water-supply system necessitated the laying of 2 miles of pipe, about the same amount also being required in the sewer system. In November, when operations were curtailed, a total of 45 acres of concrete floors for barracks had been laid and no less than 23,000 windows, containing 270,000 panes of glass, in place. The maximum amount of labor was 5,184 men.

The story of the Mesves project is one of continuous struggle against a shortage of material, labor, and transportation. In July many of the United States troops and many of the motor trucks were withdrawn from the work. At this time materials were arriving in trains, requiring the unloading of 115 cars daily, and wounded were arriving in considerable numbers. The maximum number of patients at Mesves on November 11 was approximately 18,700.

#### PORTS.

At first the main ports for debarkation for American supplies were St. Nazaire, Bordeaux, and La Pallice, using existing berths allotted to the A. E. F. by the French Government. Brest was also used, but chiefly for the debarkation of troops. These ports at a later period were supplemented by Marseille and certain small ports. Supplies coming through England were discharged at Le Havre. French ports of shallow draft, such as Tonnav-Charente and Les Sables d'Olonne, were used for coal. At all French ports it was necessary to alter the railway facilities to American standard, which is explained later under the heading of railroads.





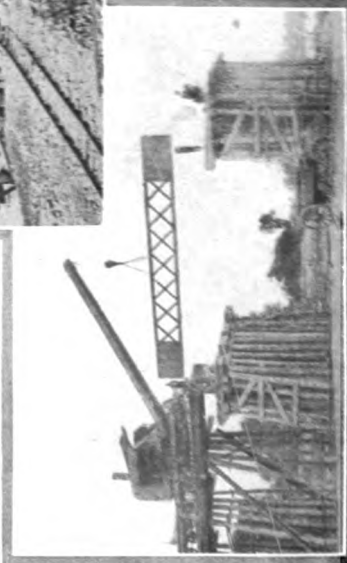
Driving piles for the American docks  
at Basora.

Inset—A hasty trestle bridge, designed for rapid erection and heavy duty. A typical piece of military engineering, adapted to

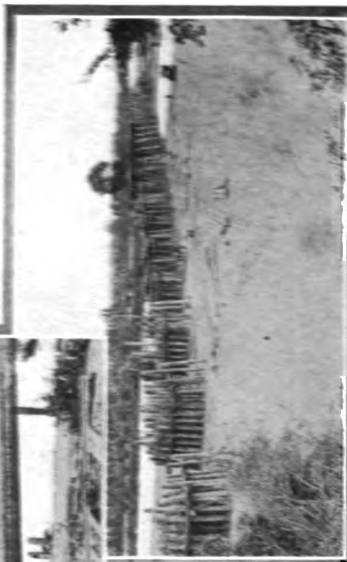


The American docks at Basora, in  
course of construction.

the materials available, to meet the situation promptly without unnecessary delay or permanence.



The Loire River bridge. Placing the steel girders. Note the solidity of this structure, designed to carry heavy loads, while permitting rapid construction

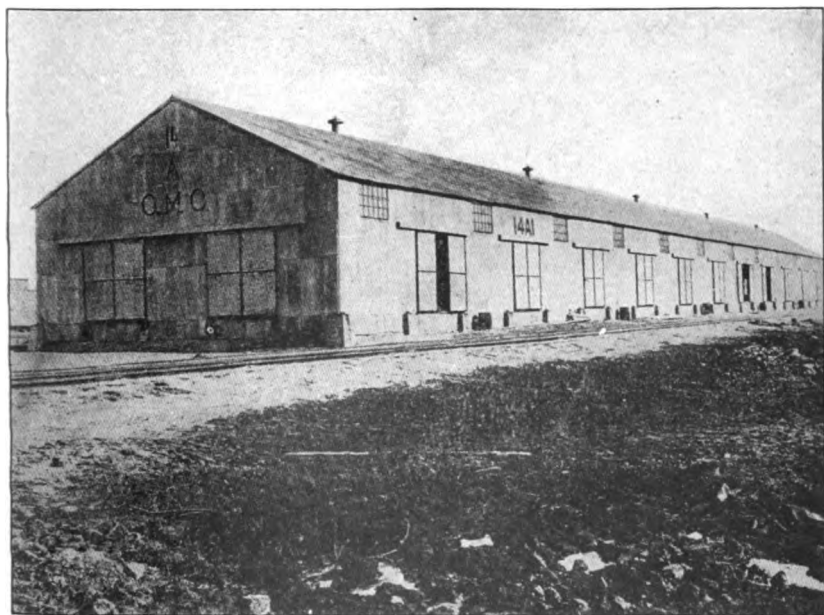


The Loire bridge, showing pile piers and steel girders in place. Pile piers lack permanence but are ideal for military emergencies





Wooden barrack buildings at Camp No. 4, near Bordeaux.



Type of steel-frame warehouse; corrugated-iron roofing and siding, employed at Montoir yards.

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Additional berths needed were constructed by the D. C. & F. Up to November 16, 1918, 67 ship berths had been obtained from the French Government, 12 had been constructed, and work had been projected and material and equipment obtained for the construction of a total of 40. The port program as finally adopted contemplated the use of 160 berths by June, 1919, 40 of which were to have been built, the balance secured from the French. At all times there was a sufficient number of berths in advance of the necessity of unloading of materials and troops. For September and October, 1918, the total number of month berths actually used was 63, and the total number available 77. As against this there was an average of 7 vessels waiting berths in the harbors.

During the early days of the A. E. F. the port program was the subject of much discussion. As a result of this discussion the only construction authorized during 1917 was the 10-berth dock at American Bassens, with a preponderance of opinion in favor of undertaking the construction of a dock at Montoir. A consolidation of this opinion began to take form in December, 1917, by the appointment of a board of engineers known as the "Bassens Board," primarily to make recommendations on the structural difficulties of the Bassens dock, but resulting in a general discussion of the port program.

Further progress was made in January, 1918, when the Montoir board was appointed to report on the practicability of construction of a dock at Montoir. The action of this board was not only to recommend the construction of a dock at Montoir, but also to recommend further development at Brest and the possibility of using the port of Marseille, provided the Navy could furnish the necessary protection.

In March, 1918, the chief of utilities appointed a board to report on all possibilities of port development. This board again recommended the construction of a dock at Montoir, also docks at Talmont and at Brest, and lighterage docks at St. Loubes and Donges, with necessary lighters to serve them.

Construction having been started on Montoir, there remained many details yet undecided. In July, 1918, the C. G., S. O. S., appointed Brig. Gen. Edgar Jadwin and Col. W. J. Wilgus as a board to make a definite detailed report and program to be undertaken immediately and carried through to completion by June, 1919. The report of this board not only made recommendations, but also estimates of material and labor needed and transportation by rail required for each project, and was the final and consolidated program for all port development in the A. E. F.

Construction was started on a 10-berth dock at American Bassens in October, 1917, and it was ready for berthing ships by the following March. This dock was 4,100 feet long and 82 feet wide. As originally constructed, it was built of piles and timber mainly obtained from the United States. It had ample switching facilities, including classification and departure yards, and was connected by rail with the 10 berth used by the American Army at French Bassens, the 20 berths being connected by a third track constructed parallel with the P. O. railroad, in order that a shuttle service could be operated to the St. Sulpice storage project. In August it was decided to reinforce the dock for installation of American gantry cranes, and 3,200 additional 80-foot piling were driven. This dock, as finally constructed, contained 11,000 piles and timber amounting to 4,500,000 feet b. m. It was equipped with 40 American gantry cranes.

The port program at Brest included the construction of two berths on the Jetee de l'Est and four berths on the Jetee du Sud. The two berths on the Jetee de l'Est were the only ones completed. This dock included warehouses and direct track connection with the Etat railroad. Actual construction was started in July, 1918, and the dock was in use the following September.

Because of the necessity of obtaining accurate soundings and other data, construction on the Montoir Dock was not started until July, 1918. The original plan called for double-track trestle approach, 4,000 feet in length, and a dock 3,230 feet long. At the time of the armistice the double-track approach had been completed and 40 per cent of the dock proper. Because of the armistice, it was decided to construct only three berths, and those were completed and in use January, 1919. The outstanding feature of the construction of this dock was that all timbers and most of the piles were obtained in France. Piles 80 to 100 feet in length were found and cut in the Vosges, hauled to the nearest railroad point, and shipped by rail to Montoir.

Preliminary work for the 10-berth dock and storage depot at Talmont was well advanced, equipment and material assembled, and railroad built into the dock site when all work was stopped by the signing of the armistice. This



timber, besides seven derrick barges of from 30 to 100 ton lifting capacity and others in course of construction. A part of this work and a part of the construction of Bassens Dock was done under contract by the Phoenix Construction Co. and James Stewart & Co.

In addition to the above construction, detailed plans had been provided, equipment assembled, and construction started for adapting many French berths to American standards, notably at Marseille, Toulon, Cette, Brest, and Le Havre, in accordance with the program mapped out in the Jadwin-Wilgus report dated August 19, 1918. The Seventeenth Engineers handled most of the work near St. Nazaire, and the Eighteenth Engineers that near Bordeaux.

#### RAILROADS.

The main lines of communication for the A. E. F. utilized existing French double-track railroads, extending from the ports of Brest, St. Nazaire, La Pallice and Bordeaux eastward and converging in the center of France within the quadrangle formed by the cities of Tours, Chateauroux, Bourges, and Orleans, thence radiating easterly to Is-sur-Tille, Chaumont, Neufchateau, and St. Dizier, which points were in close proximity to the rear of the American armies. These railroads were the Paris-Orleans Railway, the Paris, Lyons & Marseilles Railway, the Etat and the Est railways. These railways comprised both the first and second lines of communication, and were the lines of railway along which the main American facilities were constructed and upon which American trains with American train crews were operated. The Paris, Lyons & Marseilles Railway, from Marseilles and Toulon, was also used, but, with the exception of a few track changes at the ports, included no American facilities and was operated by the French.

Starting at the ports and extending the entire length of the lines of communication, all construction work was done in a very densely populated foreign country, with all the consequent difficulties to be met and overcome.

The track layouts at the dock and port facilities were entirely the French standard, where tracks were parallel and all connection was by means of turntables operated by hand, making a very slow and cumbersome operation. In order to get the maximum capacity and use of American railway equipment it was necessary to change from the French standard to the American standard of switching. This change entailed a complete rearrangement of tracks, with all the coincident troubles of street crossing, removal of buildings, overhead crossing, and the construction work carried on under traffic. At St. Nazaire, the first port used by the A. E. F., these changes entailed a rearrangement and construction to the American standard of switching of a total of 23 miles of track, and at other French ports and docks in like proportion.

There was urgent necessity for getting the supplies away from the ship's side as fast as possible, and in order to do this it was necessary to build direct track connection under American control between the docks and the storage and classification yards. At St. Nazaire, a double-track connection was built, approximately 4 miles in length, involving considerable grading and one double-track bridge across the Etang de Mean. At Bordeaux a third track was built parallel to the Paris-Orleans road, a distance of 8 miles, to the storage yard at St. Sulpice.

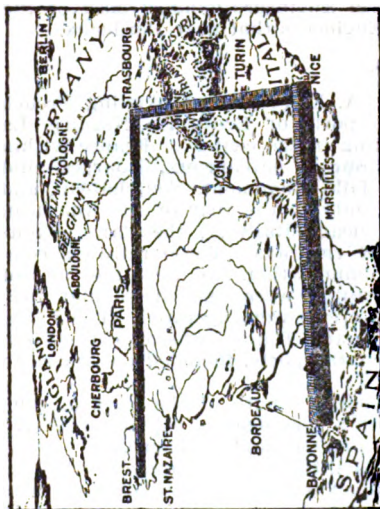
In order to properly classify and store supplies pending shipment, it was necessary to build extensive yards and storehouses as near to the ports as there was available ground. These were built at Montoir for St. Nazaire, at St. Luce for Nantes, at St. Sulpice for Bordeaux, and similar construction was started at Algreffeulle for La Pallice, and Miramas for Marseilles.

The storage depot at Montoir was originally designed for a total trackage of 240 miles. The construction work proceeded as the facilities were needed, and at the time of the armistice 128 miles of track had been built and were in operation. These facilities included complete operating facilities, comprising 25 miles of track in receiving and departure yards, 5 miles in classification yards, 5 miles in engine terminal, 6 miles in ordnance storage yard, and the balance of track to serve general storage warehouses and the many connections necessary to serve minor facilities. Construction of the project at Montoir started on September 30, 1917, and was completed December 31, 1918. The maximum number of men engaged in the construction work was 3,083. The project at St. Sulpice was practically identical with that at Montoir.

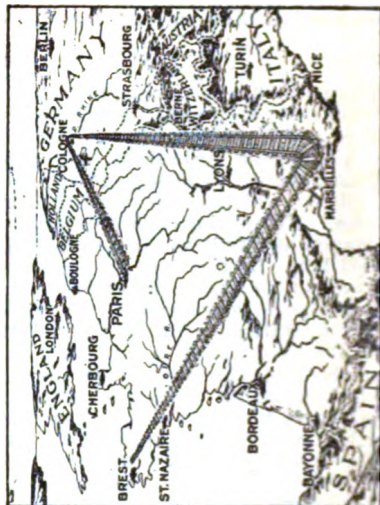
The two large intermediate storage projects were located at Gievres, and Montierchaume, near the city of Chateauroux. These projects were intended to accommodate the reserve supplies for the operation of the American Army.



At the storage project at Gievres, supplies were received from all ports and held in storage until needed in the advance depots or elsewhere. This project as originally designed contemplated a total trackage of 280 miles, and at the time of the armistice there was laid and in operation 143 miles of track, which comprised the 36 miles in the receiving and departure yard, 9 miles in the classification yards, 7 miles in engine terminal, 13 miles in engineer depot for open storage, and the balance, 69 miles, to serve the 165 warehouses, re-



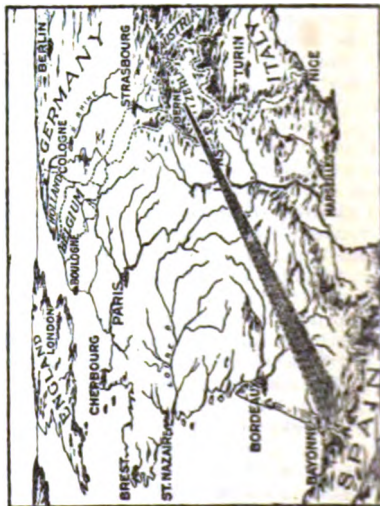
Paris and the Atlantic. The A. E. F. projected 1,433 miles of fuel road, needed 2 miles high by 1 meter width, enough to reach from Paris to Bordeaux in France.



Light Railways. On November 11, 1918, the A. E. F. was operating 1,433 miles of light railways. These were enough to make a single-track line from Paris to Bordeaux in France.



Bordeaux and the Atlantic. The A. E. F. built 250 miles of barracks and 144 miles of hospital tracks, enough to make a single-track line from Bordeaux to Paris.



Standard Gauge Railways. The A. E. F. had 101 miles of standard gauge railways, enough to make a single-track line from Paris to Bordeaux in France.

frigerating plant and other lesser facilities. Gievres was the largest of the storage facilities. It covered an area 6 miles in length and 2 in depth. There were 30,000 men stationed in camps within the project, 20,000 for construction and 10,000 for operation purposes. Construction work was started at Gievres by the Fifteenth Engineers (Railway) in September, 1917, and the depot started functioning in November of the same year. The maximum number of men employed on construction was 5,877.

The intermediate storage yards at Montierchaume were designed on approximately the same plan and size as Gievres. Construction work was started



on a small scale in April, 1918, and was accelerated in June, and at the time of the armistice a total amount of 50 miles of track had been laid, including receiving, classification, and departure yards, engine terminal and storage tracks.

Ammunition storage depots were constructed at Jonchery, Mehun, Issoudun, and St. Loubes.

Advance storage and regulating stations were built at Is-sur-Tille and Liffol-le-Grand, and the French regulating station at St. Dizier was used. At Is-sur-Tille, 10 miles north of Dijon, the largest advance storage and regulating station was built, comprising a total of 95 miles of track. This was divided into receiving, classification, and departure yards, storage and miscellaneous tracks, and included engine terminal facilities. Construction on this project commenced October, 1917, by the Sixteenth Engineers, and the station began functioning in December of the same year, and was practically completed in June, 1918. The construction of this yard involved heavy grading, a large part of which was in solid rock. The maximum number of men engaged on this work during the course of construction was 3,984.

Liffol-le-Grand, near Neufchateau, was in reality a regulating station, with comparatively small amount of storage. It consisted of 26 miles of track in receiving, departure, and classification yards, 7 miles of track in engine terminal facilities, 12 miles for storage purposes. Construction was started in April, 1918, but for military reasons the work was not rushed until the following July. The maximum number of men engaged on work was 2,576. The work was practically complete, and the yard functioning in October, 1918.

It was found that the engine terminal facilities along the French railways would not be of sufficient capacity to handle the heavy traffic necessary to adequately supply the A. E. F., and as these engine terminals were in congested centers, it was decided to build new ones solely for American operations. Under this program engine terminals were built at Montoir, Saumur, Glèvres, Cercy-la-Tour, Is-sur-Tille, Liffol-le-Grand, and along the line out of Bordeaux, at Nexon, Périgueux, and Montierchaume. All these engine terminals were constructed and in operation. Studies were made in some cases construction was started on other engine terminals in order to further increase the American traffic, but these were suspended by the armistice.

The engine terminals were practically of the same design, including receiving and departure yards, engine house and repair shop and other necessary facilities. The trackage involved varied from 8 to 14 miles. The water supply along the French railroads used by the A. E. F. was improved and augmented in numerous places.

In addition to the railroad work as set forth above, it was necessary to construct sidings and spur lines at the various hospitals, aviation centers, camps, ordnance storage projects, oil and gasoline stations, and to the many forestry operations. A total of 1,055 miles of railroad was constructed. If this were laid in a continuous line it would reach from the Atlantic Ocean at St. Nazaire across France and Germany and to the Russian frontier.

Comprehensive plans were prepared by the transportation service for all track facilities, but the shortage of materials and labor and the rapid increase of the program of troop arrivals called for wise discrimination as to what was needed and what was not, in order to meet the actual situation. It was necessary to make decisions almost from day to day as to what tracks should be put down on the various projects extending from the ports to the front, in order to provide facilities urgently and immediately needed, as there were neither labor nor materials to construct all facilities shown on plans. The comprehensive plans contemplated four tracks along each line of storehouses and open storage space, two on each side of the storehouse. It was found in practice that at the intermediate depots all the traffic could be handled on one track on one side of each line of storehouses without unreasonable delay in loading and unloading of cars. Later, the same type of arrangement was also being used at the large base depots.

Experience and observation of the tracks which were used most and those that were not largely used led to the conclusion that on this class of work, under war conditions, to avoid loss of man-power and material without adequate return, considering the rapidly changing conditions, it was advisable to put in little more than the number of tracks that were needed to start operations, leaving space to add others as their necessity develops.

## STORAGE DEPOTS.

The covered storage as estimated by the various services was originally 21 square feet per man in the A. E. F., but it was found by experience that for a 90-day reserve, 10 square feet per man was sufficient for supplies actually requiring cover, inclusive of ammunition. This was later reduced to 5 square feet when a reserve of 45 days was decided upon. These requirements were met as follows:

	Square feet.	Square feet.
Glèvres -----	3, 850, 000	
St. Sulpice -----	2, 652, 000	
Montoir -----	3, 458, 000	
Montierchaume -----	1, 222, 000	
Is-sur-Tille -----	1, 380, 000	
Other depots -----	3, 608, 000	
Total depot storage -----		16, 168, 000
Dock storage -----		3, 218, 000
Miscellaneous storage -----		3, 858, 000
Grand total -----		23, 280, 000

Original warehouses were constructed of lumber with ruberoid roofing. Owing to the difficulty in obtaining lumber, a type was developed with wood frame and corrugated-iron roofing and sides, using round poles for posts. The warehouse was 50 by 490 feet, and 12 feet high at the eaves and required only 20,800 feet board-measure of lumber and 44,000 square feet of corrugated iron, and could be easily and quickly erected. At Glèvres, on one occasion, a warehouse of 50 by 294 feet was erected by 60 men in 8½ hours, only the roof and ends being covered—with corrugated iron.

It was found necessary to omit floors except in buildings where supplies subject to injury by moisture, such as sugar, salt, and flour, were stored. In these cases a floor was built, or the supplies were placed on loose dunnage.

Considerable attention was also given to the question of placing in open storage supplies that would not be damaged in the length of time that they would have to remain in the open. Experience has demonstrated that the following main classes of supplies can be placed in the open with paulin covers without material damage: Hay, canned goods, small arms ammunition, and projectiles.

The principal motor transport project was the main base plant and repair shop at Verneuil, near Nevers. It was designed to serve as the base repair center for the motor transport corps. The total number of vehicles repaired in this plant up to March 1, 1919, amounted to: Light and heavy trucks, 4,592; automobiles, 1,700; ambulances, 324; motorcycles, 3,230, and bicycles, 1,724. Repair parts, amounting to 485,724, have been manufactured from raw material, and 6,635 broken and salvaged motor vehicle parts have been returned to service. In addition, repair and salvage work was done on horse-drawn vehicles and other miscellaneous equipment and material.

The project consisted of the main base plant, which included 14,400 square feet of office space, 120,000 square feet of stock storage, and 361,000 square feet of shops; the camp for personnel, amounting to a total floor space of 302,430 square feet; and the prisoner-of-war enclosures.

The principal Air Service project was the Air Service production center, No. 2, at Romorantin, near Glèvres. This project was designed to be the main assembly and salvage depot for the Air Service in France and was to receive and assemble all airplanes from the United States, to salvage a large part of the planes from the front, to repair and rebuild planes, to repair and maintain all motor transportation for the Air Service, and to serve as a depot for Air Service supplies. Later, a complete balloon depot and repair station and 1,000-bed base hospital were added. The location was chosen principally because it was assessible to the converging main lines of communication from the ports, and at the same time within easy flying distance of the distributing points near the front, while still near the extreme bombing radius for enemy planes.

The supply depot and airplane spare parts depot handled all Air Service supplies and all airplane and engine parts. An average of 30 cars per day were used in handling these supplies.

The original project was authorized December 27, 1917. A small detachment of Engineers started work on the railroad on January 21, 1918. The

first Air Service personnel arrived January 19, and began erecting barracks January 21. The maximum number of men employed at one time was 2,684. When construction was stopped on November 15, 1918, 85 per cent of the entire authorized work had been completed. The construction consisted of 1,297,200 square feet of shops, 765,200 square feet of storehouses and hangars, 616,000 square feet of barracks, and 126,000 square feet of hospital space.

The plant as completed was capable of assembling about 30 planes per day and would have soon been able to handle double that number. The number of planes assembled was 1,177; Liberty and foreign engines repaired, 1,670; salvaged, 212; planes repaired (all types), 776; planes of all types salvaged, 308.

#### REMOUNT DEPOTS AND VETERINARY HOSPITALS.

In addition to the work of providing shelter for troops there was the problem of providing necessary shelters for animals required for the A. E. F.

This construction was initiated in August, 1917, when a request was made for the immediate erection of temporary shelters for the mounts of a cavalry regiment expected to arrive at an early date. As a result of this request arrangements were made with the French Government to supply 500 demountable wooden stables, each with a capacity of 50 horses, and to use many small existing remount stations to which additional capacity was added when possible.

During May, 1918, a program of remount and veterinary hospital construction was instituted. A board selected sites in the base, intermediate and advance sections and visited the British area to study construction of buildings and accompanying facilities which had been developed during the four years of the war.

Remount depots with veterinary hospitals in close proximity were established at the principal base ports to care for animals arriving from the States or other overseas sources, until they could be forwarded to the intermediate or advance depots. Large depots with veterinary hospitals adjoining were established at Glèvres, Selles-sur-Cher, and Sougy, in the intermediate section. In the advance section a large depot and veterinary hospital was built at Lux, near Is-sur-Tille, and many smaller remount depots and hospitals between that point and the front lines.

The total facilities authorized by the staff comprise remount depots for 61,200 animals and veterinary hospitals for 39,100 animals. Of these, there was actually available on February 1, 1919, the following space for animals:

In remount depots constructed by the Engineers.....	27, 700	
In remount depots obtained from the French.....	12, 000	
		39, 700
In veterinary hospitals constructed by the Engineers.....	18, 500	
In veterinary hospitals obtained from the French.....	11, 100	
		29, 600
Total space in remount depots and veterinary hospitals.....		67, 300

These facilities involved the construction of 2,210,000 square feet of stabling, provision for quarters for 65 officers and 17,000 enlisted men, and the various facilities required for the functioning of these projects.

At each separate remount depot and veterinary hospital there were required dressing rooms, operating rooms, dipping vats, sulphurizing chambers, forges, blacksmiths' shops, and storehouses for equipment and forage.

Each large project required a standard-gauge railroad siding and spur with facilities for rapidly unloading animals, an ample water supply, and good roads and drainage.

The type of horse shelter adopted for remount depots and veterinary hospitals, after a study of the best French and British practice, was a stable 216 by 23 feet, with a space for 100 animals. Supports were of 6-inch round poles with a framework of 2 by 4's and covered with a corrugated iron, if available; otherwise, with 1-inch sheeting and tar paper.

For shelter alone each animal required from 80 to 140 feet board measure of lumber, depending whether or not corrugated iron was used for covering. The stables actually constructed consumed over 5,000,000 feet board measure of lumber.

In general, remount depots were built for 2,000 to 5,000 animals, with a veterinary hospital near at hand for from 1,000 to 2,000 animals. The project at

Sougy has a capacity for 5,000 animals in the remount depot and 2,000 in the veterinary hospital. It has quarters for 100 officers, 2,500 enlisted men, with necessary mess halls, bathhouses, and includes a recreation building.

#### WATER SUPPLY AND SEWERAGE.

In connection with the classes of work described above, much water-supply and sewerage work was required. A large amount of labor was required in the listing of supplies to be purchased in American and European markets and in the preparation of priority schedules to permit this material to be ordered and shipped so as to be available in time for use.

A system of water-analysis laboratories was established and the water supply in the Services of Supplies placed under the same kind of care from bacteriological and sanitary point of view as is customary in the cities and States of the United States. Arrangements were made for the chlorination of various water supplies in the Services of Supplies and the storage and forwarding of chlorinating apparatus for the armies. Arrangements were entered into with the cities of Tours, Vendome, St. Nazaire, Le Mans, and Dijon for the chlorination of the whole city supply.

The water supply for the city of St. Nazaire and vicinity constituted the biggest single problem of the Department of Construction and Forestry. The ordinary French uses amounted to about 1,000,000 gallons per day, and was obtained from reservoirs of a capacity of 160,000,000 gallons, which were filled during the rainy season. During unusually dry seasons it was necessary to resort to tank boats in order to furnish the city. The combined French and American uses were estimated at about 3,000,000 gallons per day, and as the country does not yield deep-well water, it being underlaid with solid granite rock, and as the nearest surface free from salinity was at a distance of about 15 miles, it was decided to be more feasible to provide additional storage reservoirs of a capacity of 400,000,000 gallons. It was necessary to construct one rapid sand filter of 3,000,000 gallons daily capacity and another of 1,000,000 gallons daily capacity in order to provide satisfactory water. To fill the reservoirs in the rainy season and to elevate the water to the various levels of the project, 15 pumps, with a total capacity of 30,000,000 gallons per day, had to be installed; 48,000 feet of 24 to 12 inch pipe; 60,000 feet of 8 to 4 inch pipe; and elevated tanks of 200,000 gallons capacity were used in the supply and main distribution systems alone, not to mention miles of smaller pipe used for distribution as well as for interior plumbing and piping.

The water supply of the docks and camps at Brest and vicinity offered another large problem. The original French systems which supplied Port de Commerce, Foutras Barracks, Bougen Fortress, and Pontanezen Barracks were insufficient, and it was necessary to immediately make provision for an additional 900,000 gallons per day. A pumping station on the Penfield River was installed with a daily capacity of 1,300,000 gallons and 28,000 feet of pipe line laid. In order to supply all portions of the projects and to provide adequate pressure, pumps of a total capacity of 2,000,000 gallons per day and elevated tanks of a total capacity of 100,000 gallons were installed. Due to the increase in the size of the Pontanezen camp and constantly increasing needs at other ports of the project, this original augmentation of the French supply, almost before completed, became inadequate, and further provision had to be made. It was estimated that 3,000,000 gallons per day would be necessary, and with this to do away to a large extent with the use of the French system, particularly at Port de Commerce. The Penfield River was selected as the source. Two reservoirs, one of 23,000,000 gallons capacity and another of 2,000,000 gallons capacity, were built. Two pumping stations containing six pumps and with a total capacity of 4,700,000 gallons daily were constructed. Forty-one thousand feet of 14 to 10 inch pipe and 10,000 feet of 6 and 4 inch pipe were used on the main supply and distribution system.

While Brest and St. Nazaire presented the largest problems of water supply, practically all the other large projects constructed required water-supply installations of considerable magnitude, a few of which may be mentioned as of interest. For the Saveney Hospital water supply a concrete arch dam 40 feet high and containing over 6,000 cubic yards of concrete, to provide a reservoir storage capacity of 10,000,000 gallons, was constructed, in addition to two filter plants, each of 330,000 gallons daily capacity. Some 25,000 feet of sewer lines and 50,000 feet of water mains were laid and a concrete standpipe of 50,000 gallons capacity was installed. For the Mars Hospital supply a 10-inch force

main, 5 miles long, was laid. A reinforced concrete reservoir of 100,000 gallons, on towers 30 feet high, was constructed. Two pumping stations, each of 500,000 gallons daily capacity, were installed and a filter plant of 500,000 gallons per day was erected. For the Mesves Hospital an installation practically duplicating that of Mars was made. At both Allerey and Beaune Hospitals some 57,000 feet of sewer pipe and 40,000 feet of water mains were laid. At Romorantin Air Service plant two filters, each of about 200,000 gallons daily capacity, were placed. A slow sand filter was installed at both Langres and Chateauroux Hospitals. The installations at the Montierchaume storage depot involved the laying of some 30,000 feet of 4, 6, and 8 inch pipe; the installation of pumping stations of a capacity of 100 horsepower; the drilling of wells of a total depth of 1,700 feet; and the construction of elevated tanks of a total capacity of 150,000 gallons. The general intermediate storage depot at Glèvres called for even a larger installation than that at Montierchaume. At Bassens 1,500,000 gallons of water per day was obtained by drilling two artesian wells to a depth of 700 feet. A well of 1,520-foot depth was drilled at Beau Desert Hospital and one of 1,020-foot depth at St. Sulpice.

#### REFRIGERATION.

In addition to such cold-storage space as could be obtained from the French, plants were constructed by the Department of Construction and Forestry upon plans prepared by experts engaged by the Quartermaster Corps for the storage of frozen meats from the United States, with a total refrigerated space for the storage of 14,900 tons and ice-making facilities for 500 tons per day.

The plants at Glèvres and Bassens are the largest of those constructed, having an ultimate capacity for 7,500 and 6,000 tons frozen beef, respectively. These figures are based upon full utilization of refrigerated space with consequent elimination of alleyways. The original rated capacities of these plants, making liberal allowance for alleyways, were 5,200 and 4,000 tons, respectively. Plans were prepared and equipment obtained from the United States for a duplicate of the Bassens plant to be located in the advance section, as well as for a duplication of the cold-storage building at the Glèvres plant; also, plans for a 400-ton plant at Marseille, these three projects being canceled after the armistice. A beef-storage plant of 700-tons capacity was authorized at Bendorf, near Coblenz, February 6, 1919. This plant is included in the above capacity figures.

The beef-storage building at the Bassens plant is cork insulated throughout, using 100,000 cubic feet cork obtained from a point near Bordeaux. The floor is of reinforced concrete over cork board on a 4-foot sand fill. The cold-storage rooms contain 134,800 linear feet of 2-inch standard pipe. The engine room is modern in every respect; the refrigerating machines are driven by cross-compound condensing Corliss engines. The boiler capacity is 900 horsepower. The reinforced concrete reservoir has capacity for 130,000 gallons water. Due to the use of cork for insulation and improved design, the amount of lumber used was reduced to 931,000 feet board measure. This plant was constructed and in operation in four and one-half months after commencement of work.

#### BAKERIES.

A mechanical bakery at Is-sur-Tille was constructed from plans furnished by the Quartermaster Corps, with a capacity of 800,000 pounds daily. This plant is capable of emergency production of 1,000,000 pounds daily. Mechanical bakeries were constructed from plans furnished by the Department of Construction and Forestry at Brest and Bordeaux, with a capacity of 150,000 pounds daily, and at St. Nazaire of 120,000 pounds daily. Plans were completed for a mechanical bakery at Liffol-le-Grand with a capacity of 400,000 pounds daily. Plans were furnished for the construction of field bakeries totaling in capacity approximately 600,000 pounds daily. Of this amount construction capable of producing 500,000 pounds daily was completed.

Two steel truss buildings, 240 by 380 feet, with a corrugated-iron roof and sides, were erected for the mechanical bakery at Is-sur-Tille. The floors were concrete throughout. All machinery in the plant was electric driven, power being furnished from a modern steam turbo-generating plant of 900-kilowatt capacity, the power house being a separate building 55 by 125 feet. Ovens were built on standard British practice in groups of seven, so arranged as to lessen chance of plant being totally disabled.

## ELECTRICAL INSTALLATION.

Steam-generating stations involving approximately 3,000 kilowatts of power were designated and in process of construction when the armistice was signed. The larger of these were a 200-kilowatt plant for the bakery and storage project at Is-sur-Tille; a 1,000-kilowatt stand-by plant for the Bassens project; a 750-kilowatt plant for the air service production center at Romorantin.

Three thousand kilowatts, in rotary convertor substations, were designed and under construction. These were at Neuvy Pailloux, to serve the tank factory, at Marseilles, La Pallice, and St. Nazaire, to serve the gantry cranes. A 2,500-kilowatt substation was constructed at Mehun from plans furnished by the Ordnance Department to serve the ordnance shops. A 2,500-kilowatt substation design by the Transportation Department was constructed at Bassens to serve the projects at that point. Of this station 1,500 kilowatts was in rotary convertors and the remainder in transformers for miscellaneous light and power.

One hundred and twenty-five miles of transmission line had been constructed or was under way, the plans and specifications for which were furnished by the Department of Construction and Forestry. Low-tension distribution systems and interior wiring of all hospitals, storage yards, warehouses, docks, shops, schools, and camps in the Services of Supply were installed on the basis of plans and specifications furnished by the Department of Construction and Forestry.

## OIL AND GASOLINE STORAGE.

The Department of Construction and Forestry was charged with the construction of the oil and gasoline seacoast storage stations, intermediate storage station fabrication shops for small tanks at Gievres, and the construction of the small gasoline distributing stations throughout France. The following seacoast gasoline storage stations have been constructed and placed in operation:

La Pallice, four 25,000-barrel tanks; St. Loubes, one 25,000-barrel tank. Two 25,000-barrel storage tanks were erected at Blaye, but this plant was never placed in operation.

Intermediate storage station, four 10,000-barrel tanks were constructed and placed in operation at Gievres.

At the Gievres shop for fabrication of small tanks there were constructed and tested sixty-nine 300-barrel tanks and one hundred and fifty 150-barrel tanks. Of this number twenty-nine 300-barrel tanks and one hundred and nineteen 150-barrel tanks were shipped out to small gasoline distributing stations at various field locations. To facilitate the installation of the small gasoline distributing stations the necessary pipe, valves, fittings, and pumps were assembled and marked for field erection and shipped out at the same time as the small tanks. The construction work on the seacoast and intermediate gasoline storage stations and the 150 and 300 barrel tanks was largely done by contract with the James Stewart Co., under the supervision of Engineer officers. Thirty-seven complete installations of small gasoline distributing stations were shipped out, 17 of which were placed in operation, and the other 20 were either canceled or construction suspended. These stations were constructed by Engineer troops.

With the storage and distributing stations already erected sufficient gasoline can be stored to provide for any emergency, and the small distributing stations not yet erected could be relocated without much expenditure of labor and without any further demand for material.

## ROADS.

The Department of Construction and Forestry in the year 1918 had charge of all road work in the Services of Supply except that in the advance section, which was performed under the section Engineer officer for the division of light railways and roads. During this period 90 miles of new road were constructed within projects such as the larger hospital units, general storage projects, ordnance, and aviation projects. The major part of the road equipment available was needed at the front, and for this reason and for the lack of labor due to priority of other work the maintenance and repair work was limited to approximately 300 miles. The repair work was performed mainly in congested centers, such as the immediate vicinity of Bordeaux, the docks

at Bassens, and the streets of St. Nazaire adjacent to the docks and leading to the camps.

The national highways and other French roads along our line of communications and serving the many camps, training centers, and other activities of the A. E. F. were under extremely heavy traffic during the summer and fall of 1918, and comparatively little repair work was undertaken because no labor was available either from French or American sources. The wet weather in the western and southern part of France and the freezing weather in the eastern and northern parts during the month of December put the roads in bad condition, and the commander in chief directed that month that extensive repairs be undertaken along the entire lines of communication, not only in justice to the French in repairing their roads damaged by the American traffic but also to permit continued use of the roads by the American Army. This resulted in the issuing on January 2, 1919, of an order placing all road work in the Services of Supply and Luxemburg under the direction of the Department of Construction and Forestry and that in the occupied areas of Germany under the commanding general, Third Army, giving the Department of Construction and Forestry a coordinating supervision.

The Director of Construction and Forestry used his existing organization for this work and through the section Engineer officers of the various sections immediately started the leasing and acquiring of quarries, a system of distribution of stone by rail haul and motor transportation, distributed labor upon roads most requiring repair, put into service all available road equipment and tools, both from French and American sources. The section Engineer officers were instructed to adopt the cantonier system, which was a system of constant patrol and of carefully placing well-tamped patches and resurfacing wherever the surface of the road developed weak spots. Special attention was also given to opening up all drains and ditches and the removal of accumulated mud, both from the surface of the road and ditches. The French Government cooperated by issuing instructions to their departmental engineers to furnish all stone and equipment available, and in a few places stone was furnished by the French, transported in American cars and trucks, and placed upon the roads by combined forces of Americans and French. The results obtained from the use of this system were very satisfactory, and some roads that were almost impassable in January were put in reasonably good condition. This system reduces the cost of new roads and keeps all roads in better condition by constant patrols and repair.

The maximum force engaged in road work has approximated 110,000 men, who were scattered in small working parties over nearly 18,000 kilometers of road and placed about 90,000 tons of stone per week. This stone was obtained from quarries operated by the French Government and French contractors; also from quarries opened up and operated by the Department of Construction and Forestry, and many small local quarries where the rock was taken out and broken up by hand. The quarries operated by American labor were 90 in number; the total number operated by the French 50. The stone was hauled by rail from the quarries to the nearest station and then distributed by motor truck. From the small quarries the distribution was made by means of motor trucks and horse-drawn wagons direct.

The following table shows the work done from January 1 to June 1, 1919, at which time the road program was practically completed in all sections:

Section.	Roads worked— km.	Rock distributed— metric tons.	Man-days— 8-hour day.	Truck-ton days—8 hour day.	Road rollers.
B. S. No. 1.....	500	91,000	261,500	38,900	22
B. S. No. 2.....	1,700	154,000	295,450	51,830	27
B. S. No. 5.....	75	197,500	156,220	16,330	9
B. S. No. 7.....	575	25,200	80,530	12,580	8
Int. Sec. W.....	4,200	291,000	658,850	78,510	39
Int. Sec. E.....	550	95,000	115,280	24,310	17
Advance.....	5,480	512,500	2,671,600	171,250	135
<b>Total in France.....</b>	<b>13,000</b>	<b>1,367,500</b>	<b>4,239,880</b>	<b>393,710</b>	<b>257</b>
Luxembourg.....	350	19,700	17,000	4,000	.....
Occupied territory.....	2,500	307,500	487,250	80,320	40
<b>Total.....</b>	<b>15,850</b>	<b>1,694,700</b>	<b>4,743,680</b>	<b>478,080</b>	<b>297</b>

In the advance section 650 kilometers of road were reconstructed within the battle areas devastated previous to the arrival of the American Army. There was also constructed 34,000 square yards of stone-paved street and 21,000 square yards of concrete road. In addition to restoring and maintaining the road surfaces more than 500,000 tons of crushed rock were distributed and left along the roads for future repair work by the French authorities.

#### FORESTRY.

The lack of ocean transport made it necessary to obtain practically all of the lumber and other forest products required by the A. E. F. from the French and other European sources. Shipments of such bulky material from the United States was restricted to a small quantity of piling and dock timbers used chiefly in the Bassens Dock. Furthermore, the shortage of forest products in France and the heavy requirements of the French and British armies made it necessary for the A. E. F. to be self-sustaining in the supply of these essential materials, which were called for in enormous and steadily increasing quantities. The current monthly requirements of the Army at the time of the armistice totaled 50,000,000 feet board measure of lumber and timbers, 250,000 railroad ties, 8,500 pieces of piling and cribbing, 1,500,000 poles and entanglement stakes, and something over 100,000 cords of fuel wood.

Limited quantities of lumber were obtained from France, Switzerland, and Norway. Approximately 590,000 railroad ties used in the first installations were advanced by the French Government and some additional ties were obtained under contracts placed in Spain and Portugal. Fully 75 per cent of the lumber and ties, over 90 per cent of the poles and piling, and a large part of the fuel wood required by the Army were produced in France by the forestry section.

Lumber production was begun in December, 1917, by the Tenth Engineers (Forestry), which operated two American and four French mills that month and cut 321,000 feet of lumber, 205 piles, 12,000 ties, 20,000 poles, and 1,200 cords of fuel wood. During the winter and spring of 1918 the Forestry troops were augmented by the 10 battallions of the Twentieth Engineers (Forestry), and by three battallions, comprising the Forty-first, Forty-second, and Forty-third Engineers. Nine battallions of Engineer service troops were also assigned to forestry work. Thirty-four mills were operated in March, 1918, and 59 mills in June. At the time of the armistice 90 operations, including 81 sawmills, were in progress, employing nearly 12,000 technical Engineer troops and 8,500 service troops.

The earliest operations of the forestry section were undertaken (1) in the Landes pineries of base section No. 2, where there was an early demand for piling, warehouse lumber, and railroad ties; (2) in the Loire River Valley, near the line of communication and the large depots and construction projects in central France, and (3) in the softwood forests of the Vosges and Jura Mountains and the hardwood areas immediately behind the American sector of the front. The forest resources of these regions were fully explored and new operations placed as far as possible with reference to the main points of consumption and the varied demands of the Army for different classes of forest products. Construction lumber had to be obtained mainly from the softwood forests of the south and of the eastern mountains. These regions also furnished the great bulk of the piling. The hardwood forests of central and western France were drawn upon heavily for railroad ties, road planks, dock, barge, and bridge timbers, and fuel wood. In the summer of 1918 it was necessary to push out into the southern Jura region and the central plateau of France in order to obtain the quantities of timber needed.

The forestry operations at the time of the armistice were grouped in the 14 operating districts, each under a battalion commander and organized as far as practicable to function as a self-contained unit. In addition, eight operating units with portable sawmills were attached to the first and second armies, working near engineer camps and supplying them with the forest products most urgently needed from time to time.

At the completion of its work, June 25, 1919, the forestry section had produced approximately 208,000,000 feet of lumber, 3,000,000 standard-gauge ties, 1,000,000 small ties, 39,000 piles, and 1,800,000 poles and entanglement stakes for the A. E. F. In addition to these amounts, approximately 10,000,000 feet of lumber and 440,000 standard ties were cut by two forestry battallions which



were loaned to the French and British Armies. All told, the forestry section up to the same date supplied 400,000 cords of fuel wood to the Army. In addition, 30 of its officers were loaned to the Quartermaster Corps to direct the production of large quantities of fuel wood by Quartermaster troops.

To maintain this enormous production it was necessary to scout practically all of France south of the northern provinces for suitable timber and to negotiate its purchase through French channels. This work was extended into the Pyrenees, the French Alps, and the central plateau, in order not only to keep the forestry troops in France continuously supplied with timber, but also to obtain the large quantities needed for the operations of 24,000 additional troops approved by the War Department for forestry work in September. By the date of the armistice, 630,000,000 feet of timber and 700,000 cords of fuel wood had been acquired; and half as much had been located and cruised and was in process of acquisition.

On account of the delay in the arrival of American equipment, eight stationary French sawmills were leased or requisitioned in the fall and winter of 1917 and 12 portable French mills were acquired. This equipment aided greatly in meeting the acute shortage of lumber. The French plants were largely remodeled by the forestry troops and their production doubled or trebled. Their capacity was still so limited, however, that they were discarded as rapidly as American mills could be obtained.

Three types of American sawmills were employed:

(1) A heavy-powered, permanent steam plant, rated to cut 20,000 feet board measure in 10 hours.

(2) A moderately powered, portable type of steam sawmill, rated to cut 10,000 feet board measure in 10 hours.

(3) A very light, portable "bolter mill" run either by steam or by gas tractor, rated to cut 5,000 board feet in 10 hours and especially suited to light products, like railroad ties.

Twenty of the large mills were installed at points where the supply of timber permitted their operation for eight months or longer. The other mills were well adapted to the many small wood lots in France which it was necessary to utilize. In the face of a critical shortage of lumber, every possible effort was made to speed up production. Practically all sawmills operated day and night shifts and some of them three eight-hour shifts. More than double the rated capacity of the plants was obtained currently in most of the forestry operations. Upward of 150,000 feet of lumber were cut in 20 hours at several of the large mills whose rated capacity for the same period was 40,000 feet. Cuts as high as 66,000 feet of railroad ties were made in 20 hours on the little bolter mills. All of the large and many of the small mills were steamed successfully by means of "dutch" ovens for burning sawdust, designated and installed on the ground by forestry millwrights. An enormous quantity of fuel wood was saved by this means.

Standard or motor gauge railroad installations, up to 3 miles in length, were necessary at two-thirds of the mills to give them direct rail connections and provide adequate facilities for loading cars. Light railroads of 3-foot, meter, or 60-centimeter gauge, with steam or gas locomotives or horse-drawn trams, were used for logging at many operations. A difficult area in the Vosges Mountains was logged by means of a 4,000-foot meter-gauge incline, with an average grade of 35 per cent, down which carloads of logs were lowered by donkey engine and cable. Much of the logging was done by horses with log wagons, spool carts, or high wheels. The excellent French roads were used extensively for bringing in logs by motor trucks and by tractors drawing a low-speed trailer of log wagons. One hundred-foot piles were hauled by this means for distances up to 15 kilometers.

One of the noteworthy accomplishments of the forestry section was the cutting and logging of 15,000 piles from 65 to 100 feet in length, under great difficulties, which assured the completion of the major dock projects at the A. E. F. base ports. Approximately 15,000,000 feet of long heavy timbers, requiring special selection and manufacture, were also furnished for dock, barge, and bridge construction. By an active field organization, it was possible to keep the current rail and cargo deliveries of lumber, ties, and piling up to 70 per cent of current production in spite of the shortage of transportation facilities in France.

While the changing program and the difficulties incident to the submarine warfare, an insufficient amount of ocean tonnage, cars, man power, and material, were all great, still the division of construction and forestry met all

of its essential responsibilities and was equal to the situation in each of the various activities of the A. E. F. dependent on it for their success. This was due on the one hand to the organization, to the character of the men in the service, their splendid loyalty, enormous amount of work which they performed, and their rapid adaptability to the changing conditions, and on the other hand to the backing received from the chief engineer, the commanding general S. O. S., and the commander in chief.

As an illustration of the work done, if all the railroads constructed were laid in a continuous straight-line track it would reach from the Atlantic Ocean at St. Nazaire, across France and Germany to the Russian frontier. Similarly, if all the building construction were consolidated into one building having the width of our standard barrack and hospitals it would reach from St. Nazaire, across France and to the Elbe River. The forestry troops produced 75 per cent of the lumber and ties used on this construction, and in addition 375 miles of corded fuel wood, and 144 miles of piling.

An appreciation of the work of the Division of Construction and Forestry is contained in the following letter from the commander in chief:

28 MARCH, 1919.

Brig. Gen. EDGAR JADWIN,  
*Director Construction and Forestry,  
Through Chief Engineer, A. E. F.*

MY DEAR GENERAL: Now that hostilities have ceased it gives me great pleasure to thank you, and through you the officers and soldiers of your organization, for the splendid work you have accomplished.

The Division of Construction and Forestry required the services and unselfish efforts of experts in many lines of skilled endeavor. It is a source of deep pride and satisfaction that numbers of this type of men responded readily, and through their invaluable assistance you attained the highest goal of achievement.

The supply and shelter of troops was one of the most responsible tasks that befell any organization. Although operating in a foreign country, under conditions and circumstances vastly dissimilar to those accustomed to, you met successfully each and every demand.

You, and the officers and men of your organization, labored in almost every department in France, often in isolated detachments, working under arduous conditions of service and making countless sacrifices. Yet they withstood all hardships and difficulties, surmounted all obstacles, and kept tenaciously at their important tasks. Such tireless energy, actuated as it was by a high sense of duty, deserves the commendation of all.

The vast projects wisely planned and boldly executed by you and your efficient personnel, the thoroughness and celerity with which you labored, the splendid cooperation maintained throughout, especially among the highly trained men of affairs who gave their best to the common cause, the keen foresight displayed in preparing for emergencies and the many sacrifices made are worthy of the highest American traditions.

In the name of the American Expeditionary Forces, I thank them one and all, and send them the appreciation of their comrades and their commander in chief.

Sincerely, yours,

JOHN J. PERSHING.

#### DISCUSSION AND COMMENT.

[Maj. Gen. W. C. Langfitt, Chief Engineer, American Expeditionary Forces.]

Col. Woodruff's article describes in detail the operations of the Division of Construction and Forestry, one of the main divisions of the office of the chief engineer A. E. F. There seems but little room for comment by the chief engineer, except to express here publicly his very great appreciation of the loyal work of the Division of Construction and Forestry and of the great results achieved.

The organization in its final form was necessarily a growth. Gen. McKinstry, I think, first suggested the idea of districts somewhat along the lines of our river and harbor districts, but did not remain long enough in charge to develop the scheme. Gen. Patrick worked along the same lines and the organization was finally developed and perfected by Gen. Jadwin. It, of course, met with

my hearty approval and I know of no other suggestion which could have brought about such satisfactory results.

The types of construction and, in fact, all plans were evolved always keeping in mind two main, essential features. First, the views of the department for whom the construction or work was being undertaken. Second, to keep ahead, so far as possible, of the demands of the various departments.

The first demanded much diplomatic interchange of ideas with the various supply departments, the Transportation Department and, in design of hospitals, with the Medical Department. The second required simplicity and standardization. Standardized buildings were therefore designed, so as : (1) to be built with a minimum of material; (2) to require minimum preparation for erection work; (3) to consume minimum time in erection, with minimum economical force.

As a result of this foresight and care, the Division of Construction and Forestry met all requirements most satisfactorily. Full recognition was had at all times that we were building only for the duration of the war, resulting in suitability with the utmost economy. Permanent work, so to speak, was never undertaken, except where, by the nature of things, temporary cheaper expedients could not be adopted.

That civilian labor was never satisfactory should be emphasized. The lack of technical troops, as indicated by Col. Woodruff, was most seriously felt. The services of such troops will be needed before those of all others in any campaign in which it is possible to conceive that the United States may become engaged. Wisdom would therefore dictate that these troops should in time of peace form a larger proportion of the peace organization and provision for necessary prompt expansion be adopted. All labor in the theater of operations should be militarized, and it may even be questioned if the same policy should not be adopted for all war workers, wherever employed. Therefore in all legislation looking to preparedness provision must be made for obtaining quickly such labor in amounts as circumstances demand.

A few words seem desirable in regard to the road question. In the first organization roads formed a branch of the transportation department. All road work from base ports to the zone of the armies was under a director of roads, under the director general of transportation. Later roads, together with light railways, were separated from the transportation department and combined under the writer as the department of light railways and roads. After careful consideration it appeared to me that, except in the advance section, perhaps, the roads in the S. O. S. should be under the department of construction and forestry, and, accordingly, the necessary instructions were issued. The only reason the roads of the advance section were left with the department of light railways and roads was that at the time it appeared that road work so far to the front and joining up with the road work of the Army zone should be under an officer or department with headquarters nearer to the front than were those of the department of construction and forestry. I therefore had headquarters of light railways and roads, although one of the large subdivisions of the office of the chief engineer, A. E. F., placed in the advance section, in order that the light railways, only used at the front, might be under closer supervision, and where emergencies could be more quickly met. The exact line of demarcation between road work under S. O. S. and under armies was never finally decided; but, in general, I am of the opinion that the S. O. S. should do all road work in rear of that which Army troops must necessarily perform. The line would thus be variable, and advance or retreat as exigencies of the campaign dictated.

There are several other questions of like nature which were not definitely answered, but no troubles arose therefrom, as everyone in the A. E. F. was there to do his bit, and it was rarely that questions of precedence or exact status were raised. A man, officer or soldier, given a piece of work to do, did it and asked questions afterward, or forgot it.

Our experience in France brought out the fact that all construction in the theater of operations should be under one head, and that head, beyond question, should be the Engineers—fitted by education and training especially for such work. The previous training of our officers in construction, mainly in river and harbor work and fortifications, was of the utmost value to them in dealing with the large problems arising in France demanding prompt decisions and rapid results. From this previous experience the satisfactory organization of the work was promptly developed and no time was lost in experiments. That Army engineers should be trained in such work is so apparent that to

state it seems almost supererogatory. Further, that all construction of the Army, in peace as well as war, should devolve on them as one of their duties seems equally apparent. The present situation, with an engineer construction branch in the Quartermaster Corps, is anomalous and should be corrected. Aside from the value of such work in time of peace as a training school where young engineers under older and more experienced men can be trained in construction methods, handling contracts, contractors, and men, there are other controlling reasons for such assignment of Army construction. These may be briefly enumerated as follows:

(a) The Engineer Department is already organized for carrying on work of all kinds and magnitude. A separate organization for the purpose is an evident duplication.

(b) An economy in overhead charges would evidently follow.

(c) Greater economy and efficiency in the actual prosecution of the work should certainly follow. That is what trained engineers are for, and the record of the Corps of Engineers bears out their claim to efficiency.

(d) Elimination of competition between various branches of the Army in purchases of supplies and labor in peace and war, as was conclusively shown to be necessary in France.

This whole subject might be discussed much more extensively, but it is thought that here only an outline of what was definitely shown in France at best can be given.

In conclusion, Col. Woodruff deserves much credit for his very complete article.

[Maj. Gen. M. M. Patrick, Director of Division of Construction and Forestry, American Expeditionary Forces.]

Col. Woodruff has set forth very clearly and concisely the immense amount and the varied character of the work done by the engineers in France. It is a plain, unvarnished tale of unswerving devotion to duty and of magnificent achievement under conditions that were more trying than can be realized by any who were not in the midst of them.

The writer was in charge of this work for about eight months, from September, 1917, to May, 1918, the commencement of it all, a period when we were little acquainted with French minds and methods and when they knew nothing of us, of our energies, our visions, our capabilities. There was never a time while we were in France that there was not a sad lack of both men and material sufficient to do all of the work which was really necessary, but this lack was more real and more apparent during these first few months. It was then that we had to argue at length with the French to convince them that they must sacrifice some of their well-beloved forests, stake them upon the outcome of the war, for if the war were lost it would make little difference to them whether their forests were standing or not.

It was then that the chief surgeon recommended that the chief engineer, lines of communication, be ordered to supply lumber for flooring tents in order to prevent pneumonia, only to be told that it would be a far easier task for the chief surgeon to discover or invent an infallible cure for this disease.

It was during this winter of 1917-18 that the Engineer regiments, which Col. Woodruff rightly calls the backbone of the construction force, the others that were added to them, all in fact, officers and men who were part of the organization, showed their worth by the way in which they worked in snow and rain, in mud and mire, giving every bit of brain and brawn they possessed—which was much—to carrying on the tasks which devolved upon them.

There were further complications, due to the fact that there were some who seemed to fail to realize the war conditions under which this work was being carried on. They apparently wanted all construction work done along the lines to which they were accustomed in the United States, with unlimited resources and under peace conditions. It had to be hammered into them that this was not a time for striving after perfection; it was a question rather of providing something, no matter how rude, that could be made to answer the purpose; that they were expected to get results, and to get them with the means available.

Col. Woodruff is slightly in error in stating that all railroad construction work was turned over to the transportation department the middle of September, 1917. Construction work of all kinds was under the chief engineer, lines of communication, until the 31st of October, 1917. On that date there was a

division of work, that at the ports and some of the railroad construction work being turned over to the transportation department, the rest remaining under the chief engineer.

As had been pointed out quite clearly and emphatically before this division of work and responsibility took place, it was an unfortunate arrangement and one which did not make for economy or efficiency. There was the inevitable duplication of overhead, and then, with sadly insufficient numbers of men and quantities of material, there was the conflict between the two departments, each probably thinking its work the more important and each consequently striving to get such men and materials as were available in order that its own work might progress, even though the work of the other suffered. There was no possibility of establishing correctly the relative priority of all of the different projects.

It took just about four months for this state of affairs to be realized, and then all construction work was put back where it had been originally. But part of this four months was time lost, just when time was most precious.

One of the outstanding lessons of this experience in war is that all of this engineering work should be under one head. In such a war there will never be men enough nor material enough. They must be shifted from place to place as the needs demand. The priority of the many projects must be established, but with the knowledge this may be changed many times by the changing conditions of the struggle and a concentrated power must exist to make such changes and to utilize the entire resources of the Army to the very best advantage. This is utterly impossible when the work is divided, part put under one, part under another organization.

Other striking facts were the efficacy of the methods developed under the Engineer Department of the Army and the value of the training on civil works which our officers had acquired. Essentially simple, the Engineer Department methods were adaptable and the organization was capable of great expansion. Decentralization, making each man in charge of work carry his own burden, but with the certainty of vigorous backing when this was needed, was one of the factors in the successful conduct of this great task.

The fact that Engineer officers had been doing civil work was responsible for their having come in contact with men of just the kind with which they had now to work. It had accustomed them to large enterprises and had given them vision.

On the other hand, too much can not be said for the men from civil life, many of whom, at great sacrifice, came forward and gave themselves, their brains, their knowledge, their trained intelligences, to aid in winning this war. They were truly loyal and unsparing of themselves. It was always certain that each one of them would do his best. The great difficulty was to determine each man's capability and to put him at work where he would be most effective. Many times this was not possible, but, nevertheless, these men, one and all, did earnest and effective work under whatever conditions.

[Brig. Gen. Edgar Jadwin, Director of Department of Construction and Forestry, American Expeditionary Forces.]

The work of the Department of Construction and Forestry is ably described by Col. Woodruff, both as regards the difficulties encountered, the results accomplished, and method by which these results were obtained. I can not let the opportunity pass without a word as to whom the credit belongs for these splendid results.

Looking at it in retrospect, my predominant thought is that everybody connected with the work at any time showed a most commendable, patriotic, and intelligent devotion to duty. This applies both to officers and men from the Regular Army and to those in the Army only for the war, and applies also whether the organization be regarded chronologically or from top to bottom.

With the changing force, which at times was as great as 160,000, it is manifestly impossible to cite all the names, much less to specify fully the specific items for which each man should be commended. I can not, however, let the opportunity pass without including at least the names of the heads of the central office organization and of the construction work in the field, namely:

*Central office organization during my incumbency.*—Col. J. A. Woodruff, deputy director; Col. E. A. Gibbs, general construction; Col. J. H. Graham, railroads and docks; Col. E. H. Marks (later Lieut. Col. W. B. Greeley), forestry; Maj. George Sykes (later Maj. H. W. Gregory), administration.

The construction work in the field was carried on through the following section Engineer officers: Base section No. 1—Headquarters St. Nazaire, Col. J. S. Sewell, Lieut. Col. W. G. Atwood, Lieut. Col. F. B. Malthy. Base section No. 2—Headquarters Bordeaux, Col. J. B. Cavanaugh, Col. Hugh L. Cooper, Col. Ernest Graves, Col. J. R. Holman. Base section No. 3—Headquarters London, Col. R. G. Powell. Base section No. 4—Headquarters Le Havre, Col. W. A. Johnson, Maj. George S. Brinkley. Base section No. 5—Headquarters Brest, Lieut. Col. E. V. R. Payne, Col. Mark Brooke. Base section No. 6—Headquarters Marseille, Col. R. C. Moore, Maj. A. B. Cutter. Base section No. 7—Headquarters La Rochelle, Col. J. R. Holman, Lieut. Col. J. W. Williams, Maj. C. C. Cragin. Intermediate section, east—Headquarters Nevers, Col. E. N. Johnston, Col. Harry Burgess, Col. George H. Webb, Lieut. Col. J. L. Buchanan. Intermediate section, west—Headquarters Gièvres, Col. Ernest Graves, Col. S. B. Williamson, Lieut. Col. E. L. Daley. Advance section—Headquarters Neufchâteau, Brig. Gen. J. F. McIndoe, Col. T. H. Jackson, Col. Ernest Graves.

The forestry work in the field was carried on through district commanders, each of whom also commanded a battalion of Twentieth Engineers (Forestry), with attached service companies which operated from two to eight sawmills.

Most of the mills were in the advance section and base section No. 2.

The districts in the advance section were combined under Lieut. Col. C. B. Chapman (later Maj. F. F. Spencer), section forestry officer, and those in base section No. 2 under Lieut. Col. Raymond E. Benedict, section forestry officer. These officers acted directly under the central office for production and shipments outside their own section, but filled local requisitions on the orders of the section engineer in whose section they were located.

[Col. J. B. Cavanaugh, Engineers.]

Col. Woodruff's presentation of the accomplishments in construction in the A. E. F. needs no additions to show clearly the debt which the expedition and the country owes to the engineering profession, and which Gen. Pershing acknowledges in his letters of appreciation quoted.

While, as indicated by Col. Woodruff, the most important and ever-present handicap of the construction program was lack of material and personnel certain difficulties and defects of organization were met by practically all officers in charge of construction which, by careful consideration and the application of remedies dictated by experience gained, might be removed in large part so as to make future operations of this character less difficult.

While the construction materials and engineering equipment available were distributed and used to the best possible advantage, I am convinced that the commanders of all engineering organizations first overseas were thoroughly impressed with the importance of having complete equipment accompany the organization, and those commanding officers who in spite of strenuous objections found their organizations separated from their equipment on embarkation from the United States, saw their fears and objections wholly justified by subsequent loss of efficiency through failure to secure the wherewithal to work.

However wise the general policy of equipping organizations from supplies shipped to depots may be, engineer organizations sent in advance to prepare the way for large movements should not be forced to depend for their equipment upon the shipment of supplies to depots which have not yet been established.

As to the character of equipment and supplies provided for the A. E. F., a study of the supplies in engineer depots in France leads to the conclusion that the items of equipment furnished for construction work and the classes of construction materials were more varied and extensive than were actually needed, and that the primary importance of the saw and hammer of the jack-leg carpenter was underestimated.

While at least the original equipment of engineer organizations may be simplified to include only an ample supply of instruments and tools for rough work, this equipment should be kept with the organization as long as the infantry keeps its rifle.

The greatest lack in equipment experienced on the work with which I was directly connected, aside from the part of the regimental equipment left behind at New York, was of the simple tools necessary to keep labor troops and combat troops, assigned for work, usefully employed.

With construction materials the greatest difficulty aside from their scarcity was lack of immediate availability due to failure to pack all the nails, bolts,

and other items necessary for erection so thoroughly tied to the shipments that any important part would be complete in itself. Rails should be accompanied by bolts and spikes; roofing and other building materials by nails, special cements, and other materials for erection, and structures in every shipment should be complete, since classification and assembly in the field is far more difficult than at the shipping point.

A consideration of the engineering and construction personnel drawn from civil life, which actually did the work, and to which the success of the construction program is so largely due, leads to the conclusion that the qualifications found most useful were adaptability and enthusiasm coupled with recent experience in handling men or upon actual construction.

The real engineering problems were few, while the amount of work to be actually accomplished was immense. Therefore, workers rather than advisers were necessary, and the field for consulting engineers of the highest grade was small. The axiom that in war the vast majority of men are employed below their full capabilities was well illustrated by the duties of engineers in France.

While in general the spirit shown by engineers of training and experience was of the finest, many of them felt that they were called upon to perform duties not in accord with their training and capabilities, and not all of them were able to recognize that this was inevitable since positions calling for the exercise of their highest qualifications did not exist, or required not only a knowledge of engineering but also familiarity with military and government procedure.

Faulty assignment of officers with respect to special qualifications was one of the inevitable results of lack of preparedness, but this fact was generally recognized and, due to the great adaptability of the engineering profession as a whole, the amount of dissatisfaction and discontent resulting was surprisingly small.

Many of the service battallions and labor organizations were officered by men entirely competent to take charge of large independent works, where the only practical use of their organizations due to the character of enlisted personnel or to the military situation was to utilize them practically as labor forces under the supervision of others at times no more competent than themselves.

Where independent work was not available, the best results were secured with those organizations of labor troops and service battallions where the officers were qualified more for handling men on construction work than as engineers accustomed to the supervision of construction work in direct charge of others. For labor troops construction superintendents and foremen make the most desirable officers.

Criticism, unless constructive, is unwarranted, and in view of the splendid accomplishment in construction in the A. E. F. is offered with reluctance. It is my opinion that the plans, particularly for transportation facilities, tended too much toward the desirable or ideal and could have been simplified with reduction in labor and material far outweighing the resulting loss of efficiency. This opinion is supported by satisfactory functioning of incomplete facilities and the small use of some of those provided and further by the fact that the later tendency in all plans was toward greater simplicity.

Broadly speaking, the organization and administration of construction work in the A. E. F. was that used in the United States by the Engineer Department in the execution of public works, a competent engineer officer experienced on construction work in general charge, with other trained engineer officers in local charge of the different localities, and a decentralization of authority to the widest extent practicable under the military conditions existing in France.

The most responsible positions in original organization were filled largely by engineer officers of the Regular Army, but as the organization was expanded and tried out and engineer officers from civil life acquired the necessary military experience they replaced to a large and increasing extent the regular officers, thus not only securing well-earned recognition but also releasing the regular officers who were urgently needed for other duty more strictly military in character.

It is thought that my own personal experience in charge of construction work was not different from that of other engineer officers similarly placed, and this experience brought home the realization that the training secured on public works in time of peace was the most valuable part of my equipment for construction work in time of war.

Experience in handling contracts, in supervising the work of organizations, in dealing with local authorities of the United States, all found its use in connection with the problems in France.

The important elements for the most successful conduct of engineer operations in time of war, as indicated by experience in the A. E. F., may therefore be summarized as follows:

(a) Training and broad experience in construction work for military engineers, such as that now obtained on public works in time of peace.

(b) Such a listing and qualification of engineers in civil life as will permit assignment in line with special qualification and provision for training in military matters to fit them for the discharge of all the duties of an engineer in time of war.

(c) Control of engineering equipment and supplies by the department responsible for engineering and construction work in the field.

(d) Simplification of engineering supplies and equipment and special adaptation of both to field requirements.

(e) Simplification of type plans and a deterioration of minimum requirements, which shall take into consideration not only what is desirable but what is reasonably practicable of accomplishment.

[Col. Ernest Graves, Engineers.]

Col. Woodruff has given us a complete, unimpassioned, and accurate account of the engineer construction done by the American Army in Europe. The figures are so enormous that it is difficult to get a bird's-eye view of the magnitude of the greatest engineering feat of all time.

The pictorial maps herewith show that the barracks constructed, if placed in line end to end, would reach from Bordeaux, France, to Turin, Italy. Wood cut and corded in line would extend from Bayonne to Nice, thence to Strasbourg and thence to Brest. Enough standard-gauge railroad was laid to make a double-track line from Bayonne to Berne, Switzerland.

During the early, formative days of the A. E. F. there was much uncertainty and embarrassment in fixing the responsibility for the execution of the many and varied construction projects involved in our participation in the mighty struggle. Every branch of the service had construction projects to be promptly executed, and all faced the same difficulties of lack of personnel and material. These various services were not equipped and, especially, they were not trained to do this work. All had other functions. There was a need for a single department, with a single head, to execute these vast projects. All the other departments turned hopefully to the Engineers. And this was right and proper, for the Engineers alone of all branches of the service, civil or military, were trained and able to do the job. Their record in peace and war entitled them to the confidence of the other services, nor did they fail them in this trying time.

But in the beginning the engineers, like everybody else, had neither personnel nor material to work with. They had only their enthusiasm and confidence in themselves, based upon years of success in overcoming all kinds of difficulties.

On the first boat which carried Americans to France were some quartermasters having blueprints of type camps. These they turned over in joyful confidence, not misplaced, to the Engineers. When the quartermaster in France received from the States the plans for a large ice plant, these likewise were handed to us. A firm of civilian contractors undertook to erect shops and warehouses for the Ordnance Department in France. After contemplating the apparently insurmountable difficulties for a time, they placed the responsibility upon the broad, though overburdened shoulders of the Engineer Department.

The Air Service, in like confidence, turned over their construction projects. And, eventually, all such tasks found their way to the department where they properly belonged, and where they should have been, and should always be, from the beginning.

Construction of whatever nature and under whatever conditions (the worse the conditions the greater the stimulus) is the natural function of the Engineers. We are organized and trained for such work; we ask only "Lead us to it." That the Army and the Nation should look to the corps for results in this line is natural, proper, and just. The confidence of the other branches of the service that the Engineers will do the impossible in their own



fine, a confidence which we have earned and repeatedly justified, is our special pride. It is the reason for our existence as a corps, the justification for our maintenance by the Government. We wish the other services to rely upon us. We have not failed and we shall not fail them.

The methods of the Engineers, developed by long experience in handling men, funds, supplies, materials, machinery, property, etc., make it possible for them to perform large tasks under difficult conditions with the minimum of delay and lost effort. At every place where I was stationed in France, and that was all over the country, I was constantly being asked by officers of all branches to do little things which they could not get anybody else to do. Every Engineer officer who has been on construction has had similar experiences.

For example, at Bordeaux I regularly furnished the Navy with small supplies which, as they said, they could not otherwise obtain for months because of "red tape" in their own department. At the same place I bought paper for an Ordnance officer which he could not get from his department. Apparently, the fundamental facts that we were at war and that the United States furnished and paid for everything necessary to defeat the enemy were not always successful in overcoming the "red tape" methods of peace.

A comparison, based on the number of men engaged, the amounts of materials consumed and money spent, and the results accomplished in a given time, would show that the construction of the Panama Canal, that "greatest feat of man," is overtopped and dwarfed by the work of the engineers in France during the great war.

A similar comparison between the work done under relatively far more favorable conditions in the United States and that done in France would show that the storage space constructed abroad was almost equal to that provided at home, and that the hospital capacity furnished in France was twice that in the United States. The fact that expenditures at home were many times those in France has been explained by the statements that prices were high in the United States and that many of the supplies used in France were purchased and charged at home.

It is my opinion that the conspicuous success of the division of construction and forestry was due in large measure to the wise policies of Gens. Patrick and Jadwin, in fitting their organization to that of the Army and in working for and with all local army authorities for the attainment of the common end. And in even greater measure it was due to the spirit and enthusiasm of the Corps of Engineers and the American engineering profession.

#### CONSTRUCTION WORK OF THE ENGINEERS IN FRANCE.

#### IV.

[Extract from the final report of Gen. John J. Pershing, commander in chief American Expeditionary Forces.]

Among the most notable achievements of the American Expeditionary Forces was the large program of construction carried out by our Engineer troops in the Services of Supply and elsewhere. The chief projects were port facilities, including docks, railroads, warehouses, hospitals, barracks, and stables. These were planned to provide ultimately for an army of 4,000,000 men, the construction being carried on coincident with the growth of the American Expeditionary Forces.

The port plans contemplated 160 new berths, including the necessary facilities for discharge of cargo, approximately one-half of which were completed at the time of the armistice. Construction of new standard-gauge railroad track amounted to 1,002 miles, consisting mainly of cut-offs, double-tracking at congested points, and yards at ports and depots. Road construction and repair continued until our troops were withdrawn from the several areas, employing at times upward of 10,000 men, and often using 90,000 tons of stone per week.

Storage requirements necessitated large supply depots at the ports and in the intermediate and advance sections. Over 2,000,000 square feet of covered storage was secured from the French, but it was necessary to construct approximately 20,000,000 square feet additional. The base hospital centers at Mars and Mesves, each with 4,000-bed convalescent camps, are typical of the large scale upon which hospital accommodations were provided. The hospital city of Mars, of 700 buildings, covered a ground space of 33 acres and included the usual road, water, sewerage, and lighting facilities of a municipality.

Advantages of economy and increased mobility caused the adoption of the system of billeting troops. Billeting areas were chosen near the base ports, along the line of communications, and in the advanced zone, as strategical requirements dictated. The system was not altogether satisfactory, but with the number of troops to be accommodated no other plan was practicable. Demountable barracks were used for shelter to supplement lack of billets, 16,000 barracks of this type being erected, particularly at base ports where large camps were necessary. Stables at remount stations were built for 43,000 animals. Other construction included refrigerating plants, such as the one at Glévres with a capacity of 6,500 tons of meat and 500 tons of ice per day; and mechanical bakeries like that at Is-sur-Tille with capacity of 800,000 pounds of bread per day. If the buildings constructed were consolidated, with the width of a standard barrack, they would reach from St. Nazaire across France to the Elbe River in Germany, a distance of 730 miles.

In connection with construction work, the Engineer Corps engaged in extensive forestry operations, producing 200,000,000 feet of lumber, 4,000,000 railroad ties, 300,000 cords of fuel wood, 35,000 pieces of piling, and large quantities of miscellaneous products.

"The scientists said it couldn't be done, but the damfool engineer didn't know that—so he just went ahead and did it!"

#### EDITORIAL.

##### CONSTRUCTION WORK OF THE ENGINEERS IN FRANCE.

In this issue appears an account of the work of the Engineers of the United States Army in the theater of the World War. It is a simple record in plain fact and actual figures of one of the greatest and most varied construction tasks ever undertaken and successfully accomplished by human energy. It describes briefly the achievements of the Corps of Engineers, without underrating the work of others who did their part, without attempting to decry their efficiency, impugn their motives, besmirch their good name, or destroy their usefulness, although efforts to destroy the good name of the Corps of Engineers have recently appeared in certain contemporary publications.

The men who did this work, the officers of the Corps of Engineers, and the men from every branch of the American engineering profession who responded to the call, strove under many difficulties. They were not at home, working under conditions in some respects more favorably than those of peace, but abroad in a strange land, facing new and unknown conditions, amongst a foreign people, speaking an unfamiliar language, having different customs, a different mental attitude, and often a lack of sympathy and the will to cooperate, due to the lack of understanding. The material resources of the United States were not at hand and readily available, but 3,000 miles away, across an ocean infested with hostile submarines. Our engineers did not control the transportation facilities of France—the railroads which were essential to their task. They did not have at their backs the organized efficiency and patriotism of the skilled contractors of America.

It was, moreover, not a simple task of building construction which these men faced, but a complex and intricate project, involving every variety of structure and installation. In the beginning they lacked almost everything necessary to the prosecution of their work, personnel, supplies, equipment, transportation, though happily they possessed an organization well adapted to the difficult situation and capable of expansion.

Almost everything they lacked, but not everything. For these men possessed a practical knowledge of the fundamental economics of warfare, which demand prompt results, stripped of all niceties and refinements, sufficient unto their purpose and no more than sufficient. But, above all, our engineers had the will to conquer, the genius of achievement, the "never-say-die" spirit that always has surmounted and ever will surmount all material obstacles. Herein lay the certain guaranty of success.

The heavy task was accomplished, rapidly, efficiently, and thoroughly done in face of all difficulties, and it constitutes a proud monument of achievement in the field of engineering and construction.

The record is a worthy one, and adds luster to the reputation of the Corps of Engineers and the American engineering profession. And every American citizen whose soul is not dead within him should thrill with a mighty pride in the magnificent worth of the American Army engineer in France.

(Chairman McKenzie subsequently submitted a statement which is here printed in full in the record, as follows:)

MINUTES OF MEETING OF THE EXECUTIVE COMMITTEE OF THE GENERAL MUNITIONS BOARD, HELD THURSDAY, MAY 31, 1917, AT 8.30 A. M. IN THE MUNSEY BUILDING.

*Cantonments.*—The chairman read a telegram from the Westinghouse, Church, Kerr Co., over the signature of their Mr. Boyd, regarding the delay in placing contracts for cantonments. It was stated in this telegram that in his (Mr. Boyd's) opinion more prompt action would be had if the contracts were let by departmental commanders.

In view of the fact that Mr. Boyd was consulted and had a hand in deciding on the method of placing contracts, this change of opinion on his part is evidently due to selfish motives. It was decided to investigate this further, as no doubt Mr. Boyd has sent the same telegram to certain members of the House or Senate, and all appreciated the fact that movements of this kind must be stopped in the beginning.

(From page 252 of above meeting.)

MR. MCKENZIE. Mr. Fuller, of New York City, I believe a civil and mechanical engineer, testified before this committee. He said he visited France, and was over there about six weeks, as I remember it, and in attempting to draw a comparison between the efficiency of the engineers in France and the construction division in America he said, in response to my questions, that the work of the engineers in France was delayed on account of lack of organization and lack of direction, and that they were not able to pick up in speed. What have you to say about that criticism?

Gen. HARBORD. That was not my observation, Mr. Chairman. I have set forth in my statement that I have read here a great many difficulties that confronted the engineers, and it is hardly worth while, perhaps, to go more fully into that matter. But such things as he mentioned, picking up, I might explain by an example: Some of these first engineers that came to France were handicapped, doubtless due to something that happened on this side, by lack of tools. Although their tools were brought to the docks in the United States and should have accompanied them, those tools arrived some weeks afterwards. There were some cases of that kind. But I considered their work very well done, and we never found them wanting when we needed them.

MR. MCKENZIE. You have stated that those men went ahead on the ground, with which of necessity they could not be familiar, being in a foreign country, and with no plans and specifications prepared in advance, and went to work; that they simply went on the ground and started to work?

Gen. HARBORD. No; I said without surveys. They had plans, of course.

MR. MCKENZIE. Of course they would have plans of the shelter buildings?

Gen. HARBORD. Yes, sir.

MR. MCKENZIE. And they began to hire men and to buy material and went to work to construct the necessary buildings and railroads and wharves needed to handle the work, and, in your judgment, it was successfully done?

Gen. HARBORD. Yes, sir; I think it was.

MR. MCKENZIE. And expeditiously done?

Gen. HARBORD. As much as could have been hoped for.

Mr. McKENZIE. Now, then, it is your judgment, I take it, that that same result could have been attained in this country under the Engineer Corps?

Gen. HARBORD. I saw none of the construction in this country, but my impression would be that it could have been done and even improved on in this country, it seems to me, under the Engineer Corps.

Mr. McKENZIE. Of course, the Engineer Corps would have had to be enlarged?

Gen. HARBORD. Naturally.

Mr. McKENZIE. By the taking into the engineers of constructors and such men as were taken in and commissioned in the so-called construction division?

Gen. HARBORD. Yes. Of course, we had some of the biggest civil engineers in the country who wore the uniform of the engineers, such as men who had been connected with the greatest engineering projects in the United States. They wore the uniform of the engineers, and their accomplishments are included in my statement.

Mr. McKENZIE. And those great projects were carried on by men drawing the salary of a major or a colonel in the United States Army?

Gen. HARBORD. Oh, yes; and sometimes by men drawing lower salaries than that.

Mr. McKENZIE. I want to ask you another question, because I want your opinion on the matter, although I may not be able to get it. This is not pertinent to the subject we are investigating, but is pertinent to matters now pending before our Committee on Military Affairs of the House: What is your judgment as to the matter of placing construction work in our Military Establishment in peace time under the Engineer Corps?

Gen. HARBORD. I can see no reason whatever why it should not operate successfully under the engineers. It seems to me to organize a separate corps for that sort of thing simply adds to the overhead charges and increases expense without any corresponding increase in efficiency.

Mr. McKENZIE. And whatever construction might be necessary to be done by any corps if placed under the engineers of the Army would give them experience along that line?

Gen. HARBORD. Yes, sir; and would fit them for future wars. When we went to France we, of course, talked over a great many details of organization on our way over. I went over on the ship with Gen. Pershing, as his chief of staff, and we had conferences by the staff department, the men who afterwards became chiefs of their services in France. We talked all these things over. The engineers had never had anything to do with the construction of barracks in this country or ordinary construction around Army posts, as that had been under the Quartermaster Department. Nearly all those details were thrashed out, and conclusions reached in conference on the ship as we went over. Gen. Pershing was convinced after we had talked these things over that it would be a good idea in France to put all classes of construction under the engineers, and he did so, and I have to say that the results vindicated his judgment.

Mr. DOREMUS. Gen. Harbord. I want to go on record as indorsing what you have said about the efficiency of the engineers and the fine

work they did in France. It is a fact, however, isn't it, that this work, splendid as it was, was subjected to criticism throughout the war and is still subjected to criticism?

Gen. HARBORD. Oh, yes. There isn't anything that has been done over there, from Gen. Pershing's conduct of the war down to getting the boys home, that has not been made the subject of criticism.

Mr. DOREMUS. And if it had been decided at the beginning of the war to have all construction work done in this country under the supervision of the Corps of Engineers, you do not imagine they would have escaped criticism of the work done here, do you?

Gen. HARBORD. Not at all.

Mr. DOREMUS. The effect would have been merely to transfer the object of criticism from the construction division to the Engineer Corps?

Gen. HARBORD. I think a certain amount of criticism from our people is always inevitable. We all know that when we start out.

Mr. MCKENZIE. General, the committee is very much obliged to you for coming here.

Gen. HARBORD. And I am glad to have had a chance to come before you.

(Thereupon at 5.15 o'clock p. m., the committee adjourned to meet again at 10 o'clock a. m. to-morrow, January 17, 1920.)



**SUBCOMMITTEE No. 2 (CAMPS) OF THE  
SELECT COMMITTEE ON EXPENDITURES  
IN THE WAR DEPARTMENT,  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., January 17, 1920.**

The subcommittee met at 10 o'clock a. m., pursuant to adjournment, Hon. John C. McKenzie, presiding.

Also present, Hon. Frank E. Doremus.

Mr. McKENZIE. The committee will be in order, and we will first hear Mr. Bernhardt.

**TESTIMONY OF CHARLES WILLIAM BERNHARDT, CONTRACTOR  
AND BUILDER, ATLANTA, GA.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. McKENZIE. Where is your home, Mr. Bernhardt?

Mr. BERNHARDT. Atlanta, Ga.

Mr. McKENZIE. How long have you lived there, Mr. Bernhardt, all your life?

Mr. BERNHARDT. Twenty-eight years; mostly, but not all my life.

Mr. McKENZIE. What business are you engaged in?

Mr. BERNHARDT. Contractor and builder.

Mr. McKENZIE. How long have you been engaged in the building and construction business?

Mr. BERNHARDT. I have never done anything else.

Mr. McKENZIE. Have you a construction company, or do you work as an individual?

Mr. BERNHARDT. At present and before the war I was working as an individual; I formed a construction company for war work.

Mr. McKENZIE. Did you get any contracts?

Mr. BERNHARDT. No, sir.

Mr. McKENZIE. Did you make any efforts to get any contracts?

Mr. BERNHARDT. I did.

Mr. McKENZIE. How did it happen that you did not get any, if you know?

Mr. BERNHARDT. I do not know. I used my utmost endeavor with the Emergency Construction Committee, but I never received anything at their hands. I will say, however, that I made application by letter to the United States Housing Corporation and it received recognition at their hands, in that they invited me to go to Charleston, S. C., to meet their project manager there, which I did. They had, I might say, what you might term a competitive operation, for the reason that they selected, as I recall, about five men to meet there—one from Louisville, one from Knoxville, and one from Charlottesville, Va., and one, I think, from Jacksonville, and one from

Montgomery, in addition to myself—if that is admissible and you desire it?

Mr. McKENZIE. Yes, sir.

Mr. BERNHARDT. We were all given plans, taken over the site, and were notified that we would have to make an estimate on this work, the estimate to be in Washington on a date, if I remember right, about the 15th of November, which was four days after the armistice was signed. I know it was three or four days, but I think it was the 15th.

They not only required the amount of the entire project, but they also wanted the cost per building, and the cost per unit on each of the several items that entered into this work. This I did, and I had it all ready for them, but the armistice, of course, caused that all to disappear and, therefore, I did not receive any contracts during the war.

Mr. McKENZIE. On that particular contract, did you have to guarantee a price?

Mr. BERNHARDT. In a way; and no. The maximum commission allowed for that work was \$20,000. The total cost of that work, according to my recollection—I could have brought those figures with me if I had thought they were of any value—was about \$640,000. The maximum fee allowed for that operation was \$20,000, with a bonus of \$10,000, that is for the sliding scale.

Mr. McKENZIE. Yes.

Mr. BERNHARDT. That is, you were to receive a part of the saving up to one-half of the commission allowed for the total operation, which would have been, of course, \$10,000. In event you exceeded your estimate, you were penalized a like amount, down to one-half of the estimate which, of course, would have amounted to \$10,000 the other way.

Mr. McKENZIE. Tell us something about the size of your organization and equipment?

Mr. BERNHARDT. At that time I had, as I reported to them—I do not remember because I have not the file with me—but as I recall there was an active organization of one superintendent, about three foremen, and I think it was 30 men. That was a question which came up between Mr. Starrett and Mr. Foster and myself, on one or two occasions, on this ground, that not having a larger organization, I was hardly eligible for a large contract. I made this point, that I had the nucleus, and that from my knowledge of the territory and my acquaintanceship with the conditions and the men who were in that territory, that my organization was ample to build an organization with to handle any proposition.

I think in making that statement that I was perfectly safe, for the reason that I happened to know that my organization was fully as large as any organization before that organization received any work in that section—I am speaking of the local organizations; I can not speak for outside organizations.

And when they asked me why I did not build up an organization sufficiently large to take care of any contract that might be given me—

Mr. McKENZIE (interposing). That statement, Mr. Bernhardt, do you include the Tufts organization that finally got the contract—

Mr. BERNHARDT. Oh, no.



Mr. McKENZIE (continuing). For the building of Camp Gordon?

Mr. BERNHARDT. Oh, no; this all occurred since the first contract for Camp Gordon. I did not go into that.

Mr. McKENZIE. I meant as to the size of the organization. You are speaking of the size of your organization. Did the Tufts Construction Co. have a larger organization at the time that they received the contract than you had, or did they build up an organization afterwards?

Mr. BERNHARDT. That is a little different proposition, Mr. McKenzie. The Tufts Special, as it was known in our section, and, in fact, that is what he has advertised it as, and I assume by reason of the fact he was so recognized by the Government—I did as much to help the Atlanta organization get this work, so far as the local end of it was concerned, as anyone there. I had an opportunity to go into the organization, and for personal reasons I did not do so. We had had a big fire in Atlanta, and I had quite a good deal of work in sight at that time; and I am candid with you when I say that it just occurred to me that if I let this other organization go ahead with the Gordon work, simply some of us would have to take care of the private work. Of course, at the beginning of the work—and some of our judgments were a little faulty in that matter—I did do quite a little work right at the beginning, but the people generally felt that as soon as Camp Gordon was through prices would fall back to normal, and they hesitated about building, and that is what kept me in a position where I made all my financial arrangements to connect up after the Government should have gotten through. The Tufts organization, gentlemen, was this type of an organization: There were five firms who threw all of their organizations together to handle that work. It was what you might term a stock company. I was there when it was created. The five men took from \$10,000 to \$50,000 apiece in that company.

As I say, the financial end of it was sprung on me hurriedly, and I had not had an opportunity to look around and see what I was going to do, or a chance to make up my mind. I did not know how they expected to handle the work. In other words, I had no time to examine their organization at all, and it was done on telegraphic communications.

Mr. McKENZIE. Do you know whether or not the Tufts organization was formed, or the "stock company," as you call it, for the express purpose of taking the Camp Gordon contract?

Mr. BERNHARDT. It was; yes.

Mr. McKENZIE. And what happened after the construction at Camp Gordon was completed?

Mr. BERNHARDT. They dissolved.

Mr. McKENZIE. And what do you know about whether or not the men composing the Tufts organization had assurance that they were to get the contract before they formed the organization?

Mr. BERNHARDT. I have every reason to believe that they had no such assurance; but I do not know that of my own knowledge.

Mr. McKENZIE. Do you remember the date, or about the date, when it was formed?

Mr. BERNHARDT. I am sorry, but I do not know what that date was.

Mr. McKENZIE. As near as you can tell, what would you say?

Mr. BERNHARDT. I would rather not say, because I might be so much in error.

Mr. McKENZIE. That is a matter of record and can be ascertained.

Mr. BERNHARDT. I have learned to dismiss matters from my mind after they cease to interest me.

Mr. McKENZIE. Mr. Bernhardt, you mentioned one thing that I want to ask you about.

Mr. BERNHARDT. All right.

Mr. McKENZIE. And that was with relation to your view of the situation prior to the commencement of the construction work at Camp Gordon. They had had a big fire, as I understand it, in Atlanta?

Mr. BERNHARDT. Yes.

Mr. McKENZIE. And you figured that you probably could utilize your equipment and organization in the construction work in the city of Atlanta. But in that you were somewhat deceived on account of what happened after the work was started at Camp Gordon?

Mr. BERNHARDT. Yes.

Mr. McKENZIE. What I want to ask you about is, What was the effect on the labor conditions at Atlanta when work was started at Camp Gordon?

Mr. BERNHARDT. It paralyzed it.

Mr. McKENZIE. It not only paralyzed it, but did it not demoralize it?

Mr. BERNHARDT. Well, yes, in a sense. Perhaps I ought to explain a little more, in this way: You take, for instance, I constructed a building there—not a very large building—for a client of mine. I think it was supposed to run \$11,000 to \$12,000, just simply a service station for a garage—for an addition to a garage there, or an automobile agency. My labor cost on that thing nearly doubled. Bricklayers that had been getting 70 cents an hour jumped up from 85 to 90 cents, and Camp Gordon was paying 10 cents an hour more than that and transportation included. But in view of the fact that Camp Gordon is some 15 miles out of Atlanta, they gave us a preference in the matter by virtue of that fact of about 10 cents an hour, and that building, instead of costing \$12,000, cost us \$15,000. We lost both in efficiency and in wages.

Mr. McKENZIE. Mr. Bernhardt, can you give us your opinion of why that condition existed? What was the cause of it?

Mr. BERNHARDT. The cause was this: I do not mean to infer that it was actuated by selfish motives, because I think everyone of the boys in that Camp Gordon job—and I have known them a great many years—I am speaking about the first contract—were perfectly loyal, unselfish, and devoted to the work. I do not think they had any selfish object in view, but you recall that that work was very hurriedly started, and Mr. Walker told me afterwards they worked 60 days for nothing. In other words, that their maximum had been reached 60 days before they got their work done, and they went at this cheerfully and just as loyally and patriotically as you could expect, so far as I know. and I believe that that is true; that is my own personal opinion about it. But this work came on very suddenly. It not only demoralized the building business, it not only demoralized the farm labor, but it demoralized everything around there. They needed these men; they advertised for them; they used every influence that they could to get the help out there.

**Mr. McKENZIE.** And bid up the wages?

**Mr. BERNHARDT.** Bid up the wages, naturally. Our labor organizations down there, as soon as they saw what was going on, began to educate their men to put up their wages, and, as a matter of fact, my information is that they had secret service men all through that work there to keep down disturbances, to keep these business agents from getting in there and inciting these men to strike, and all that sort of thing.

The farmers throughout that section, as I say, lost their men, and I know that they had a terrible time getting cotton picked, and various things done, by virtue of the fact that their help all went to that job. And on Saturdays—these fellows never had that much money before, and they were like drunken sailors; they would come in and pay all kinds of prices for hats, shoes, and everything they saw, like babies, wanting every pretty bauble that came along.

So, naturally, when we would get to talking to the men about what we expected them to do, instead of coming across with the efficiency that we expected, they would come back the next morning for more money. That is the way it affected us, gentlemen, down there, and, as a matter of fact, that thing is still in evidence. We are getting certainly not more than 40 per cent efficiency, with a hundred per cent increase in wages.

**Mr. McKENZIE.** Mr. Bernhardt, that work was done at Camp Gordon under what is known as the cost-plus system?

**Mr. BERNHARDT.** Yes.

**Mr. McKENZIE.** I would like to have your views on that character of contract.

**Mr. BERNHARDT.** Mr. McKenzie, I think as a matter of fact that that is the proper form of contract. I think so for this reason, that when you ask a man to make a lump-sum contract, you are asking him to guarantee to you that work will not exceed a certain amount of money, and that man takes a gamble on the markets for the future, especially in times like these. Several years ago when the market was stable and the various material men, manufacturers, and others, would sell you their products for delivery in 90 or 120 days, or 30 days, as the case might be, that was a different proposition. But to-day all contracts are made subject to change without notice, practically. In other words, if I estimate on a job to-morrow, irrespective of what the amount may be, I have only a limited time to accept that proposition; if I do not accept it is gone. The worst feature of it all is that we never know what labor is going to be.

I find through our organization work—in fact we have a cost-plus contract form that is now in process of completion. It has had about 18 months steady study. At the beginning of the work Mr. Frank Miles Day, of the American Institute of Architects, who has since died—a very valuable man by the way—was on that committee for the architects, and Mr. King, our national counsel at Washington, D. C., was handling it for our organization, with the assistance last year of Mr. E. W. Reaugh, who was chairman of our committee, of Cleveland, Ohio.

This cost-plus form is not yet ready for publication.

**Mr. McKENZIE.** When you stated a moment ago that you believed that the cost-plus contract system was the correct system, are we

to understand from that statement that you fully approve of the particular form?

Mr. BERNHARDT. Oh, no; I am not speaking about any particular form that has existed in the past, with the possible exception of the United States housing contract form, which I think is the best contract I have seen in universal practice up to this time, because that gave you a bonus and penalty for completion and noncompletion, within a certain cost.

Mr. McKENZIE. Which we understand was the bonus for saving and the penalty for extra cost or additional cost?

Mr. BERNHARDT. Yes.

Mr. McKENZIE. Very well. You have discussed this form of contract, have you not, Mr. Bernhardt, in certain articles you have written for various periodicals or newspapers?

Mr. BERNHARDT. Yes.

Mr. McKENZIE. What I would like to get into the record here is your particular criticisms of the form of contract that was adopted by the Emergency Contract Committee, and under which the 16 original cantonments were constructed.

Mr. BERNHARDT. I wonder if I ought to discuss that, because I question whether I am sufficiently acquainted with the details of that contract to discuss it. All I know is of a general nature, not having had one of those contracts myself. You see, Mr. McKenzie, I did not have one of those contracts, and by virtue of that fact, all I know is what my understanding of it was.

Mr. McKENZIE. You understood that it was a wide-open proposition, so far as any protection to the Government was concerned, with perhaps the exception of the graduated percentage, with a fixed maximum, which has been said by some to have been a protection?

Mr. BERNHARDT. I understood this—and if I am correct in that understanding, all right—if I am not, that is a different proposition: That a fixed fee was set, in some cases \$250,000. I believe that was so at first at Camp Gordon.

Mr. McKENZIE. As the maximum?

Mr. BERNHARDT. Yes; as the maximum fee. There was no bonus or penalty attached for completion or noncompletion or for excess cost or saving, as I understand it.

Mr. McKENZIE. That is true.

Mr. BERNHARDT. I believe the cost-plus fee system is a proper system if it is protected by a bonus for savings and completion, and a penalty for noncompletion; that applies particularly as to time.

Mr. BERNHARDT. May I make a statement on the side here, Mr. McKenzie, that any man who is not successful, or, in other words, who does not make a profit, is a liability instead of an asset?

Mr. McKENZIE. Mr. Bernhardt, while you subscribe in a way to the cost-plus contract being a practical thing, you do not, as I understand it, give your approval to that form of contract unless it contains these safeguards?

Mr. BERNHARDT. That is right.

Mr. McKENZIE. And, furthermore, I want to ask you whether or not you feel that where work is being done under that form of contract, such as you have described, and which meets with your approval, that it would be advisable to let the public know that the work was being done under that form of contract?

Mr. BERNHARDT. Do I understand that you means that if such a course was adopted in the future—is that what you mean?

Mr. McKENZIE. Yes?

Mr. BERNHARDT. That it would be advisable that the public know you were doing it that way?

Mr. McKENZIE. Yes.

Mr. BERNHARDT. I most certainly do, because, if you permit me, as national officer of our national association, I can say this, that it is becoming more in favor all the time, in fact, we have quite large areas in this country where that idea is growing. It is growing all over this country.

Mr. McKENZIE. What I had particularly in mind, Mr. Bernhardt, is the effect of the morale of labor, where it is known by the employees that their employer is taking no chances, so far as loss is concerned; and was not that one of the reasons why there was such demoralization followed, both as to wage scale and everything in the construction of the Government work?

Mr. BERNHARDT. I do not think that would have any effect on the morale of your labor, for this reason: That labor in the case that you mention—of course, I assume; I do not know this—if labor thought at all, or knew there was actually nothing to be lost by its laying down on the job—if you will pardon that expression?

Mr. McKENZIE. That is a very good one.

Mr. BERNHARDT. Under this form suggested, labor knows, or should know, that the man who is doing the work will be penalized if he does not do it within a certain time or within a certain cost.

You have touched on a subject, if you will pardon me, that is getting back to an idea, and that is that labor in this country must be taught and must learn that it is just as patriotic for them to be 100 per cent Americans in time of peace as it is in time of war; and it must be further taught them that the success of building operations depends entirely on their assistance in the economical establishment of buildings, or the economic operation of any proposition that they come in contact with, whether it be manufacturing, building, or anything else; and I candidly believe, if I am still in order, that as soon as we get through housecleaning and get rid of the radical element, that the saner element among the laborers of this country will realize that problem.

Mr. McKENZIE. With the provision in a cost-plus form of contract which you have suggested as to time and savings, that transfers the responsibility to the contractor to be diligent?

Mr. BERNHARDT. Absolutely so.

Mr. McKENZIE. And under the particular form used in the construction of the original cantonments and camps, that element was absent, and, in your judgment, was not that a mistake?

Mr. BERNHARDT. In my judgment, where you turn over a large amount of money to be expended, without safeguards, I would rather put it that way, if you don't mind—it is not only inadvisable, but, in my opinion, discourages dishonesty.

Mr. McKENZIE. I think that is all, Mr. Bernhardt.

Mr. DOREMUS. Are you assuming in your answer to the last question, Mr. Bernhardt, that this contract did not contain any safeguards for the protection of the Government?

Mr. BERNHARDT. If you will pardon me, I stated earlier in my testimony, if I recall, that I was not familiar with those contracts and did not wish to answer any direct questions, and that I was not familiar with that form of contract, not having received one, and was only speaking from general knowledge.

Mr. DOREMUS. That is my general recollection of your testimony. And, unless this particular form of cost-plus contract that was adopted for the construction of the 16 cantonments did, as a matter of fact, lack safeguards to protect the Government, then your answer to Mr. McKenzie's last question would not apply?

Mr. BERNHARDT. I am not sure that I altogether understood that. (On request, the stenographer read the pending question, as follows:)

Mr. DOREMUS. That is my general recollection of your testimony. And, unless this particular form of cost-plus contract that was adopted for the construction of the 16 cantonments did, as a matter of fact, lack safeguards to protect the Government, then your answer to Mr. McKenzie's last question would not apply?

Mr. DOREMUS (continuing). To that particular form of contract. And what I am anxious to ascertain now, Mr. Bernhardt—and perhaps you have already made that clear on the record—what do you mean by that answer that this particular form of cost-plus contract did lack safeguards to protect the Government?

Mr. BERNHARDT. I see. What I am trying to do is this: I do not wish to intimate that there was any dishonesty involved—I was speaking more generally—because, as I stated before, I do not know from personal knowledge what your contracts were and your emergency contracts were which applied to your cantonment work. Therefore I do not feel that I am competent to pass on those contracts. I merely stated in that former answer there—which I do not think ought to be repetition—that in the event a cost-plus contract was entered into without proper protection that it was unwise and would lead in that direction.

Mr. DOREMUS. I think we are all agreed on that.

Mr. BERNHARDT. There is one other thought. I feel that the cost-plus contract was and is the proper thing under emergency work as a medium of a proper safeguard and protection, for the reason that last year, in my opinion, it has been estimated that on the straight contract basis the immense sums involved would have confined this work to a very small number in this country, because gentlemen, you appreciate this fact: That where millions were involved it has been very hard for the majority of contractors to finance these projects, whereas they were able to finance them under the cost-plus system; so after all if there is any criticism it is the criticism of the methods employed in the handling of this work and the form of contract used.

Mr. DOREMUS. The act providing for the draft was passed by Congress on the 16th of May, 1917. At that time none of the sites for these 16 large cantonments had been selected. Between the 16th of May and the 15th of September following the sites had been selected, the contracts had been let, and on all of the 16 jobs the cantonments were ready for the reception of the first increment of the National Army; their housing prepared and necessary utilities, in-

cluding water, sewage, lighting, and roadways, had been established.

Mr. BERNHARDT. That was at what time?

Mr. DOREMUS. The 6th of September.

Mr. BERNHARDT. Was that true of Camp Gordon?

Mr. DOREMUS. It was true for the first increment of troops. I would like to get your opinion, Mr. Bernhardt, as a practical contractor and builder of long experience, whether that was a good construction job?

Mr. BERNHARDT. You mean as to the efficiency of the work, in the preparation of the work, to get it completed in that time?

Mr. DOREMUS. I refer to the results accomplished.

Mr. BERNHARDT. Really, so far as my own information goes, and from the information I have had, I think they did a most excellent work in getting ready in that time.

Mr. DOREMUS. I will ask you whether, in your opinion, the results achieved justified the means employed, in view of the emergency that existed?

Mr. BERNHARDT. I would like to answer that a little differently.

Mr. DOREMUS. Answer it in your own way, Mr. Bernhardt.

Mr. BERNHARDT. I would say this: Had labor been as patriotic as the other citizens of this country, and been content with a reasonable wage, and been willing to yield a reasonable amount of efficiency for that wage, I believe you would have gotten equally as good results at a less cost. I do not believe that anyone who has studied those conditions can say honestly that labor showed by their actions that same degree of patriotism and self-sacrifice that the citizens of this country, outside of the ranks of the people mentioned, did show during the war, and that is exemplified by the further fact that they were not only content to lay down on the job and do nothing, making a job last as long as possible in order that they might get the greatest amount of money, but they went further.

They placed one of their members on the emergency contract committee, so that after the first contracts were let it was almost a physical impossibility for a contractor to secure a job unless he had signed an agreement with the labor union first. Do not misunderstand me—I do not want to attack labor organizations, because there are a great many good people in labor organizations—but I believe they should broaden their vision and eliminate all class prejudice from their ranks and become 100 per cent Americans. That is what I believe; and this country is not at the point—and never will be—where the organized minority shall control and say to the unorganized majority how this Government shall be run. And the people are tired of it; and when I say “the people” I do not mean just the contractors of this country; I mean the great mass of people are tired of it.

Recently when the railroad men of this country threatened to tie up this whole country I was traveling through various sections, from St. Louis down to the southeast, as far as Savannah, and all of the people I came in contact with said, “For God’s sake, let us get to it and have it over and learn them a lesson.” That is the feeling of the people. It is not because they have become prejudiced against any one of the individuals—I will not name them; you know them as well as I do—but it is because the public, who pay the

freight, feel that the contractor ought not to be allowed to overcharge for his services, and that labor should not be allowed to overcharge for its services, and that the laws enacted in Congress should be enacted in view of taking care of the whole people and not the few.

That is what is hurting your country, gentlemen, if you will permit me to tell you so. There is less regard to-day for law and order than ever before in our country's history. Why? There is more legislation in the State of Georgia to-day, alone, than there is in the whole of Great Britain, always some little statute that is continually nagging. In a sense, all of us are violating the law every day that we live, and the laws make violators of good citizens.

Mr. DOREMUS. The word "bogie" has crept into this testimony when certain contractors have been on the stand. What do you mean by "bogie"?

Mr. BERNHARDT. You will have to ask them; I do not know. How was it applied?

Mr. DOREMUS. It was used in connection with the pay for extras on the job.

Mr. MCKENZIE. It was used as meaning a mutually agreed price.

Mr. BERNHARDT. I do not understand why a mutually agreed price—and when I say "mutually agreed price" I mean a predicated and as nearly exact information as you can arrive at by going through the same identical process for arriving at the cost of your operation on a cost-plus contract that you would on a lump sum.

Mr. MCKENZIE. Based on an estimate, you mean?

Mr. BERNHARDT. An actual estimate of cost. I would state to you that when I made up this cost sheet—I personally made up the chart that I brought up here—it gave the cost per house, taking each individual cost; the other column was total cost; then here [indicating] came my total cost—brick and lumber so much per thousand. and I had represented those columns extended right down with the totals at the bottom, and all of that balanced. I was very much gratified to know that had the war continued, as they assured me. that I would have procured that work, and I thought it was really a compliment to my effort to secure the work when they told me so. you remembering I was competing with five men for that work. As I say, I really felt it was complimentary, and that it was a compliment in this sense, that I was compelled practically to do every particle of that computation myself, for the reason that we had the "flu" epidemic at that time, and, do you know, I worked on that thing, aside from the mechanical and landscape work, sewage and water, and did practically all of that work myself and I worked from 6 o'clock until 12 and 1 o'clock at night. I was literally worn out when I got on the train to come to Washington, having required two weeks to get the data in shape.

Mr. DOREMUS. Mr. Bernhardt, without any definite plans and without knowing the size of the job, would it be possible to arrive at this mutually agreed price, of which you have spoken, either with reference to cost or time?

Mr. BERNHARDT. They did attempt to establish a time limit, did they not? My information was that any man who was awarded a contract on cantonment work had four days to get on the job, and that they had to complete the job before a certain time.



Mr. DOREMUS. The contract provides that the job shall be completed in the shortest possible time; that is my recollection of the language employed in the contract. Of course, it was understood at that time that the troops would begin to arrive on the 1st of September, but later on the War Department set that date ahead four days, and they really arrived on the 5th of September.

Mr. BERNHARDT. As I said before, the statement with reference to those contracts is not based on personal knowledge. I endeavored to get as much information as I could from the Emergency Construction Committee. I will say that Col. Starrett was one of the most agreeable men and pleasant men in every sense of the word that I ever came in contact with.

Mr. DOREMUS. Was he a competent man?

Mr. BERNHARDT. I do not think I am qualified to pass on that, for the reason that the only dealings I had with him were when I came here.

Mr. DOREMUS. I see.

Mr. BERNHARDT. When I first began meeting Mr. Foster he was very pleasant the first two or possibly three visits, going out of his way to tell me the details of how to get all of the inside stuff so as to make the greatest possible appeal to the committee which was going to award this contract. When I came up the next time he was positively almost insulting. I do not like to say "insulting," because that would mean I did not have enough self-respect to take care of myself. But he was very abrupt and very discourteous, and, in fact, got so that I went over his head and went to Col. Starrett, and the colonel went through my information, discussed it with me for 30 minutes or such a matter. Then I came out and Foster met me in the hall and said, "What are you doing here this morning?" I said, "I did not come to see you; I came to see the colonel." "Yes," why should you come in here and butt in on the colonel this morning when he was busy making up a report for Congress?" I said, "The colonel is very capable of talking for himself, and if I encroached too much on his time, I imagine he would have intimated that he could not give me any more time, and I would have left. However, I will say this to you, that the colonel has requested me to say to you that you are to move my file up so that I receive consideration. I receive consideration at an earlier time." What he meant by that I have not any idea. I simply transmitted the statement of the colonel. I said "Good day," and walked out. I never went back there any more. I went over to the Housing Corporation and was received with the greatest consideration.

Another man I met here that I think I would like to mention on account of the splendid way he received me—a very busy man—now Gen. Marshall, then colonel. I received a copy of a letter that he wrote, I think, to the emergency construction committee, which was a splendid letter, showing that in spite of the fact that he was extremely busy he was in every sense a gentleman.

Mr. DOREMUS. Will you now go back and answer my former question?

(The stenographer thereupon read as follows:)

Mr. Bernhardt, without any definite plans and without knowing the size of the job, would it be possible to arrive at this mutually agreed price, of which you have spoken, either with reference to cost or time?

Mr. BERNHARDT. That can be arrived at, in my opinion, within a reasonable amount, pretty much on the same basis that owners frequently ask us for an approximate estimate. I am making one now for a \$150,000 job that will come up the minute I get back. I am speaking again from observation and not from positive facts. I do not like to make a statement that I am not familiar with. Had the Emergency Construction Committee or that division that was handling that work surrounded itself with men who were familiar with that type of work—I do not mean to say they did not, because I do not know—they could have made an estimate that would have come within, say, 10 per cent of the total cost. We do that all the time in our private work.

Mr. McKENZIE. You referred to lumber awhile ago?

Mr. BERNHARDT. Yes.

Mr. McKENZIE. Of course, you have seen the construction at these camps?

Mr. BERNHARDT. Yes.

Mr. McKENZIE. I want to ask you whether or not there would be any difference in the cost of placing of lumber in a two-story barracks over that of a one-story barracks, and if so what would be the relative difference?

Mr. BERNHARDT. There would be very little difference.

Mr. McKENZIE. If you had had laid before you plans for a one-story barracks, and the other shelter buildings that were put up at these various camps, and you had been asked to make a unit bid of so much per building or so much per cubic foot, would that have been possible?

Mr. BERNHARDT. No. In estimating that I will say this, that I would have estimated my labor on that portion at so much per thousand; in other words, I would not have shown any differential between a one and a two-story building.

Mr. McKENZIE. You figure per thousand feet of lumber?

Mr. BERNHARDT. Yes.

Mr. McKENZIE. And would that have been possible; would you have been willing to take a contract to put up just as many buildings as they wanted at so much per thousand feet for placing the lumber, and especially if you had had an exception put in to take care of advances in labor?

Mr. BERNHARDT. Yes; provided, of course, that I had the financial ability to handle the proposition of the size indicated.

Mr. McKENZIE. Yes.

Mr. BERNHARDT. Yes; I would under those conditions.

#### **TESTIMONY OF LIEUT. COL. WILLIAM COUPER, QUARTERMASTER CORPS, WASHINGTON, D. C.**

(The witness was duly sworn by Mr. McKenzie.)

Mr. DOREMUS. How long have you been in the military service?

Col. COUPER. Since June, 1917.

Mr. DOREMUS. And did you immediately enter the Construction Division?

Col. COUPER. Yes, sir.

Mr. DOREMUS. What had been your experience up to that time? Had you had any particular training?

Col. COUPER. Yes, sir. I graduated from the Virginia Military Institute of Civil Engineering in 1904, and from the Massachusetts Institute of Technology in 1906, and after that I went into the employ of the Pennsylvania Railroad in the tunnels under the North and the East Rivers, working in the tunnels under compressed air, and later on I was on the board of engineers which had supervision of their work in New York and vicinity. The job amounted to \$159,000,000 under the supervision of that board.

I was later in the transportation division of the Pennsylvania Railroad, and then had some of the harbor work, where I had supervision over the transportation, using some 400 boats in New York Harbor handling freight. In that position I had actual charge of labor, serving at one time as a labor foreman and having some 650 men in the gang, and later on as general foreman, having something over 200 foremen under my direction.

Mr. DOREMUS. Colonel, how did you happen to get into the Army service?

Col. COUPER. I sent in an application the first day of the war to The Adjutant General, and later on found I would have to go through a training camp. So I applied for the Infantry, and the papers got lost, and on the 16th of May, when I was told, two days later, that they were going to have a Cantonment Division I was advised to come to Washington. I came on the 20th of May, three days after the Cantonment Division had been set up. I was told that they would probably need a man of my experience and that I might hear from them. They sent for me on the following Friday morning, and I reported on Saturday morning and have been here since on work in Washington and on the outside.

Mr. DOREMUS. I neglected to ask you where your home is, Colonel?

Col. COUPER. My home is in Norfolk, Va.

Mr. DOREMUS. You are aware that there has been a lot of testimony regarding the fees paid at Camp Sherman. They have been printed in the record as totals, but the percentages, as I understand, are not shown. What can you tell the committee as to the actual percentages of fees at Camp Sherman?

Col. COUPER. There is some controversy on the fee, and it is proper to state that the work done there, as shown by your records, directly under the general contractor, cost the Government \$8,613,282.36 of which \$250,000 was a fee charge.

The work done under the plumbing subcontract, under the general contract, cost the Government \$656,919.50, of which \$59,702.39 was paid the plumbing subcontractor, M. J. Gibbons, for fees.

The work done under the electrical subcontractor of the general contract cost the Government \$65,505.11, of which \$5,955.01 was paid to the electrical subcontractor, the Hatfield Electrical Co., for fees.

Summarizing, we find that the work done under the general contract for the original construction project at Camp Sherman cost the Government \$9,335,706.97, of which \$250,000, or 2.68 per cent was paid to the general contractor, A. Bentley & Sons Co., for fees.

The fee paid to the general contractor, including that paid to all the subcontractors on the original contract, was \$315,657.40, or 3.37 per cent of the total cost of the work as done under the original contract.

To further clarify the record, I will state that this was all of the work done on the original construction project, with the exception of eight minor contracts, annexing road construction principally, and these additional contracts cost the Government \$286,646.16, of which \$27,710.68 represents fee payments.

Summarizing, we find that the total cost to the Government of the original project at Camp Sherman was \$9,622,353.13, of which \$343,368.08, or 3.57 per cent, represents the total fee payments to all contractors and to all subcontractors.

After the original project was completed and the original contractors moved away, work was subsequently done at the camp, adding buildings for various purposes and a large extension to provide for an enlarged program of training, which started in 1918 and was well under way when the work was stopped by the armistice. Since that time the land at the camp has been purchased.

It is proper to have a full understanding of all these facts when we place the cost of Camp Sherman at between \$13,000,000 and \$14,000,000.

Mr. McKENZIE. I assume, Colonel, that the purpose of this statement is twofold: First, to show the percentage paid the contractor on the total amount of the cost of the project, and, second, as an answer, in a way, to the letter inserted in the record on yesterday, which purported to state that the construction company known as the Westinghouse, Church, Kerr & Co., had made a tender to the Government to carry on such work at a fee of  $3\frac{1}{2}$  per cent. Am I correct in my statement?

Col. COUPER. The only reason for that—it was discovered at Camp Sherman—was not to answer the record of yesterday, for the record clearly shows there were some contractors who were willing to do this work for nothing. But it was simply to clear up a discussion you gentlemen had among yourselves as to what that percentage was.

Mr. McKENZIE. The insertion of it in the record at this time will take care of those propositions.

Col. COUPER. Yes, sir; absolutely.

Mr. McKENZIE. I want to ask you, whether in arriving at your conclusions in this, you include the money paid by the Government to the contractor for rental of equipment, loss on commissary, and other overhead charges, that the ordinary contractor, having a contract on the lump-sum basis, would be required to bear himself, have been taken into consideration?

Col. COUPER. This takes into consideration rental of equipment, because the contract so provides. It also takes in such overhead as is provided by the contract, and no more. It does not take into consideration a fee on loss in commissary, because we do not pay a fee on that.

Mr. McKENZIE. The point I am making is this, Colonel: In making that estimate, for example, you put down \$250,000, we will say, as a fee paid to the contractor. Out here, opposite that, you put down the total amount of the construction cost of the project.

Col. COUPER. Yes, sir.

Mr. McKENZIE. Then you divide the total fee by the total cost to get your percentage. What I want to know and have the record show is whether or not you added to the \$250,000 before you made the division the amount paid by the Government to the contractor

as rental for his equipment or the equipment that he might furnish, whether you added to the \$250,000 overhead expense paid by the Government, which would have ordinarily had to be paid to the contractor who had a lump-sum contract. What I want to get at, is this a fair statement to say that the percentage cost for the construction of these projects paid to the contractor is  $2\frac{1}{2}$  or 2.8 per cent, and at the same time make the Government carry the very heavy expense accounts on rental of equipment, etc., that a contractor under a lump-sum contract would be furnished, and if that were done, whether it would not change those figures there as to percentages.

Col. COUPER. It would change it to this extent only, sir: The rental of equipment has nothing to do with it; in either case you were paid for it. In one case you pay on a per diem basis; in the other you pay on a lump-sum figure, and it is hidden.

Mr. McKENZIE. It is an assumption?

Col. COUPER. It is a fee—contractors are not in the game for love.

Mr. McKENZIE. A contractor testified that he lost \$35,000 on one contract at Camp Lee.

Col. COUPER. But he did not set out to do it. Your statement is correct to this extent, that we have to have on jobs an expense which is shown on this statement, and it is clear that we pay for it directly without going to the contractor, and it amounts to an amount which is shown in your statement clearly.

Mr. McKENZIE. My question is not a catch question; that is, I am not asking questions for that purpose. But I do think that a record such as we are making here ought to be a fair one and mislead the public into believing that all it cost the Government to get this work done was 2.8 per cent or whatever percentage you have figured it there. when, as a matter of fact, the Government was holding the sack for a whole lot of other expenses.

Col. COUPER. What I put in here to make clear is not an estimate; it is a pure fact of dividing a fee which the other fellow actually paid, and your report shows everything but the percentages.

Mr. McKENZIE. I assume, Colonel, that your computation is correct, so far as the computation goes, and including the elements that you have included in your computation.

Col. COUPER. Yes, sir.

Mr. DOREMUS. Have you been with the construction division, Colonel, ever since you entered the service?

Col. COUPER. Yes, sir.

Mr. DOREMUS. Have you personally superintended the construction of any of these cantonments?

Col. COUPER. Yes; two of them.

Mr. DOREMUS. Where were they located?

Col. COUPER. At Columbia, S. C. One was later known as Camp Jackson and the second one as North Camp Jackson, which is located about 3 miles from Camp Jackson.

Mr. DOREMUS. As I understand it, you were the construction quartermaster of both of those jobs?

Col. COUPER. Yes, sir.

Mr. DOREMUS. I want to ask you where the lumber on these different camps could have been ordered by sizes and lengths, and whether it was so ordered.

Col. COUPER. It was so ordered.

Mr. DOREMUS. Then why was it necessary to cut it up as has been testified by some of the witnesses?

Col. COUPER. Lumber does not come to you in the way that you put it up. The first thing we got was siding, boards. We got hundreds of cars of it. We had nothing to nail those boards to. The reason was quite clear: The mills had accumulated a stock of siding.

Later on, when they began to cut, we got things to nail it to, and prior to the time of getting frame timber we had to purchase it locally and, in some cases, cut it right on the ground, which we did—cut a tree one day and put it into a building on the next.

Towards the end of the job, it was quite reversed; we had plenty of framing and no siding, due to the run of the mills, and that made it necessary to cut your lumber. That is not an experience peculiar to any one plant; it applied all over, and showed it must be the necessary thing.

I think I should state there that I later had a number of jobs—ten of them—scattered over the eastern seaboard, where we had enormous timbers, the largest used in the construction division, running from 24 x 24, 70 feet long, down; and we even found we had to cut some of that big stuff, because you could not get it away—you had to piece it.

Mr. DOREMUS. Were any of the purchases of lumber made at a higher rate than those established by the authorities in Washington?

Col. COUPER. Yes, sir. Local purchases had to be made at local rates. We were a little fortunate where I was in being in the lumber territory, and sometimes we were able to purchase it at a considerably lower rate than was established by the Washington office. That applied to that particular camp, and the one which was located other than in the lumber territory would probably be more unfortunate in that particular respect.

The same thing applied to every other commodity. I used lumber only as an illustration.

Mr. DOREMUS. My recollection is that Gen. Marshall yesterday testified as to the quantities of lumber and other materials that went into these different jobs, did he not?

Col. COUPER. Yes, sir.

Mr. DOREMUS. Then, I will not ask you about that.

Col. COUPER. I think, probably, in that connection it would be well to insert the tables on which the estimate was based. These tables were prepared for Gen. Littell, in an investigation held in February, 1918, before the Military Affairs Committee, and on pages 23 to 25. Part VII, of their hearings, it refers to a table showing the number of cars of the major materials received in the National Army and the national camps up to November 7. In looking over the hearings I find that it was introduced but not printed—it was referred to and stated that it was printed; and as it is a vital part of this record. I would like to offer it now.

Mr. MCKENZIE. I have no objection if it is not already in our record.

Col. COUPER. It was not inserted. They say that it was there, but it did not go in.

(The tables referred to are here printed in full, as follows:)

# NATIONAL ARMY CAMPS.

*Statement showing number of cars of materials received as of Nov. 7, 1917.*

Camp.	Cars of lumber shipped by emer- gency bureaus.	Cars of lumber received at camps.	Cars of other material received at camps.	Total cars of all material received at camps.	Cars of lumber on hand for un- loading.	Cars of all material on hand for un- loading.
Ayer, Mass.....	384	2,275	1,420	3,695	1	6
Yaphank, Long Island.....	2,035	2,760	3,492	6,252	2	43
Wrightstown, N. J.....	2,390	2,454	3,266	5,720	8	104
Admiral, Md.....	2,226	2,652	2,843	5,495	20	100
Petersburg.....	1,243	2,781	3,031	5,812	3	38
Columbia.....	2,034	2,781	3,031	5,812	19	44
Atlanta, Ga.....	2,203	2,938	1,975	4,913	6	16
Chillicothe, Ohio.....	1,193	2,194	1,198	3,392	5	5
Louisville.....	1,739	2,094	2,208	4,302	3	11
Battle Creek.....	1,526	1,856	2,137	3,993	5	24
Rockford.....	1,788	2,090	2,245	4,335	5	18
Little Rock.....	972	2,107	3,127	5,234	7	53
Des Moines.....	1,331	1,968	4,096	6,064	17	81
Fort Riley.....	2,037	2,206	2,276	4,482	10	20
Fort Sam Houston, Tex.....	2,176	1,854	1,963	3,817	.....	3
American Lake, Wash.....	1,374	1,804	2,587	4,391	2	46
Total.....	26,651	36,779	40,538	77,317	123	612

(The following extract from testimony of Gen. I. W. Littell before House Committee on Military Affairs was directed by Mr. McKenzie to be inserted in the record and is here printed in full as follows:)

EXTRACT FROM TESTIMONY OF GEN. I. W. LITTELL, JANUARY 17, 1918, FROM HEARINGS BEFORE COMMITTEE OF MILITARY AFFAIRS, HOUSE OF REPRESENTATIVES, DECEMBER 7, 1917, TO FEBRUARY 8, 1919, PAGE 928.

Number of troops for which facilities had been provided on September 4, 1917:

# NATIONAL ARMY CAMPS.

American Lake, Wash., Camp Lewis.....	46,000
Annapolis Junction, Md., Camp Meade.....	15,000
Atlanta, Ga., Camp Gordon.....	14,000
Ayer, Mass., Camp Devens.....	16,458
Battle Creek, Mich., Camp Custer.....	10,000
Chillicothe, Ohio, Camp Sherman.....	13,800
Columbia, S. C., Camp Jackson.....	12,500
Des Moines, Iowa, Camp Dodge.....	15,000
Fort Riley, Kansas, Camp Funston.....	22,800
Fort Sam Houston, Tex., Camp Travis.....	28,000
Little Rock, Ark., Camp Pike.....	20,000
Louisville, Ky., Camp Taylor.....	24,000
Petersburg, Va., Camp Lee.....	18,750
Rockford, Ill., Camp Grant.....	14,000
Wrightstown, N. J., Camp Dix.....	10,000
Yaphank, Long Island, Camp Upton.....	7,000
Total.....	287,308

Mr. DOREMUS. In these different jobs, Colonel, did you ever use lumber from the Pacific coast?

Col. COUPER. Oh, yes, sir; I had five jobs where we got lumber from the Pacific coast.

Mr. DOREMUS. How long did it take you to get it from there?

Col. COUPER. It is pertinent to say that it took 100 days to get the first of that lumber.

Mr. DOREMUS. What was the character of that lumber?

Col. COUPER. It was beautiful lumber, as good as you would wish to see. I am told it was not as hard as pine. It was large, most of it.

Mr. MCKENZIE. In other words, Colonel, if I may interject here, it was the character of lumber you could not get any other place in the country where you had to have extreme lengths for heavy construction?

Col. COUPER. We did not get it in the East, but the delay was not due to the lumber; we could get that. It was due to transportation. You will recall transportation was all bawled up.

Mr. MCKENZIE. But the point I am trying to clear in the record is that on the Pacific coast, where those enormous trees grow, it is possible to get a character of timbers of great length and sizes that we can not procure in any other portion of the country.

Col. COUPER. You can not get the lengths in the East. The Shipping Board took all of that. They could get it, you understand, but it is lumber that the Shipping Board needed.

Mr. DOREMUS. Some witnesses have testified, Colonel, that the work on these different camps could have been constructed in a shorter time than they were constructed. Could you give us any idea of the time consumed in construction, using, for instance, Camp Sherman, where we personally investigated?

Col. COUPER. The work at Camp Sherman, your record shows, started on July 4, and the troops got there on September 5. That is 63 days. It took 148 days to wind up everything and get the contractor off the job. On October 6 practically all the men were gone. That was only 94 days after the work had started, and the number of buildings which had been constructed up to that time were about 1,300, which will give a run of one building every 43 to 52½ minutes, depending on whether you allow for the total time or for Sundays counted out.

Mr. MCKENZIE. May I interject there, Colonel, with your permission?

Col. COUPER. Yes, sir, Mr. Chairman.

Mr. MCKENZIE. That answer standing alone, "The men were practically all gone," would cause one to assume that the job was practically completed.

Col. COUPER. That is a fact.

Mr. MCKENZIE. And you remember the testimony that in November and December it was 20 below zero and that the boys were suffering from cold in the hospital?

Col. COUPER. I remember that testimony. It was to this effect, that this man stated that he personally saw men shivering, and Mr. McCulloch suggested "probably dying" while he personally was hiding in the bushes, and he was the foreman of these men. That has regard to steam heating only, nothing else. That comes last, for necessity, on any construction job.



Mr. MCKENZIE. If you will pardon me, I do not remember that this man Poole—

Col. COUPER. I do not recall his name.

Mr. MCKENZIE (continuing). I do not remember that he testified he was "hiding in the bushes."

Col. COUPER. I would rather let the record stand on that. I will not trust my memory.

Mr. DOREMUS. I wish you would state the method of handling your material in cases where it was short, or not up to the standard.

Col. COUPER. I do not believe your record shows the method of handling material at all, and we had better take it from the beginning. We notified the contractor what to buy, usually where to buy it, and what to pay. He placed his order. A numbered copy of his order comes to the Government. The material is inspected by Government men prior to the time it leaves the vender. The invoices arrive in due time, with bills of lading, which are run through the books. A copy of this goes to a material inspector.

In the course of time the material arrives on the ground and the material inspector checks it, with knowledge of what is supposed to be in that car. If it is as billed, he so checks it. It passes back to the Government forces, who verify the inspections, prices, etc., against the original order, and then tells the contractor it is proper to pay that bill. He pays it, and when he returns the Government-signed receipts showing that the vender has received his money and we then take the retained copy from the files, match them up and reimburse the contractor promptly. Should it happen, on inspection, that the material is not up to either grade or quantity, the inspector knows it, and the tally man knows it; and we then pay for exactly what we get, both as respects amount and grade. Frequently it is proper to accept a lower grade of stuff, because you need it at the time, but in no case should you pay more than it is actually worth, and the lumber people in furnishing us these prices allow for an error in the grades, so that it is not always a case of just agreement. That does not apply to other things. We may get some other things that are under grade, and then you have to enter negotiations.

Mr. DOREMUS. In the camps generally, Colonel, was there an excess of labor?

Col. COUPER. I can not answer for the camps generally, but I can answer specifically for those where I was located. We were continually confronted with this: Orders would come from Washington to rush this unit or that unit, or to build another unit of some kind. We were ordered to rush it. The contractor, almost invariably would say, "What do you want us to slow down? I have got just so many men; I can not get any more." And we would have to decide daily which were the most important to rush and, so far as I know, we guessed it about right, at least we took care of the men that did come. At no time do I recall that we had stopped recruiting labor. We always had recruiters up to the backbone of the job, which I would say was about October 1, and we stopped and cut off the forces.

Mr. DOREMUS. What can you tell us about the quality of the labor on these jobs that you personally superintended?

Col. COUPER. I would describe it as very poor. There are not in all South Carolina as many carpenters as we had on our job, and yet there were being built in that very State at that time camps, in addi-

tion to the one in Columbia, at Greenville, Spartanburg, and some of the coast towns, small operations. We went out to the country and enlisted the farmers. We found that farmers are very good hammer and saw men. A farmer when there is something wrong on the farm can not send for a plumber. He fixes it himself, and he is usually a very good mechanic. We found we could train one of these men in about six days—that was our estimate made at the time—to be a first-class man for the work he had to do. Take flooring. A man who had never laid flooring can, if kept on that job and that alone, do just as good floor-laying as any man in the United States. That cost the Government exactly six days' wages, and we got nothing back during those six days, to make him an expert floorer.

Mr. DOREMUS. Did you know of any good men who were out of a job?

Col. COUPER. Occasionally I would hear of one, and we would get him.

Mr. DOREMUS. Did you ever have to let work stop in one place in order to finish it in another on account of lack of labor?

Col. COUPER. Yes, sir; I covered that a few minutes ago.

Mr. DOREMUS. How many less laborers did you have on your two jobs than at Camp Sherman?

Col. COUPER. At our peak we had about 600 men less than were at Camp Sherman. Generally speaking, throughout the construction, the number of men on the job ran about the same.

I think it is proper here to state that we had meetings here in Washington prior to the time we went out into the field, at which all the officers of the Construction Corps were present, and I distinctly recall one night an estimate of how many men you could work on the job. Two estimates were volunteered. One by Capt. Oury, who thought you could probably work 1,200 men on one of these jobs, and Col. Whitson thought it would run nearer 4,000. I cite those two estimates as being practical before we started on the work, to show the utter impossibility of anybody, even experienced men, guessing how many men should actually be taken, for experience showed when we got to work that it took over 10,000 per job.

In that connection I have the table requested by Col. Chantland, which shows the number of men each day on one of the jobs in diagramatic form, and it also shows the make-up of carpenters and laborers. It shows the carpenters and laborers and the total, indicated by the dotted and full lines. The full line is carpenters, and the dotted line is laborers, and the dot-dash line is the total.

Mr. DOREMUS. Did you ever have any trouble with the plumbers on your jobs?

Col. COUPER. Oh, yes. That was the first trouble we had. The trouble was this: We found through some source—I do not recall now—that telegrams had been sent all over the country requesting that plumbers come to Columbia, because it was unfair, and because it was an open job. We had actual copies of those telegrams. We could not get plumbers; we did not know why we could not get plumbers until we got a copy of this telegram. It was signed by a man by the name of Nafey, some secretary of the local union, and it was necessary to arrest Mr. Nafey; and later he agreed to not only get men for us but to do all that he could to get them there, and he carried out his part of the agreement.

Mr. DOREMUS. Did you ever see any of this at Camp Sherman, in regard to plumbers?

Col. COUPER. Yes, sir; we had the same difficulty at Camp Jackson. In the words of their leader, Shipe, he said a plumber "only stayed in one place long enough to be found out that he was a migratory bird." I think he told the truth.

Mr. McKENZIE. The committee will now take a recess until 1.30 this afternoon.

(Thereupon, at 12 o'clock m., the committee took a recess until 1.30 o'clock this afternoon.)

#### AFTERNOON SESSION.

Mr. McKENZIE. The committee will please come to order.

Mr. DOREMUS. Col. Couper, I wish to ask you a few more questions.

How many men can a timekeeper check up on one of those cantonment jobs?

Col. COUPER. The best opinion on that, sir, and at the beginning, and I have not changed that, is that a man can handle 200 to 250 men, checking men in the field. That, of course, does not apply to work around the factory where you have to hunt up your men. You can not properly check more than 200 or 250 men.

Mr. DOREMUS. Does the time checker keep the time of the men?

Col. COUPER. No, sir; he only checks it. The time checker checks these men as they come in in the morning, twice during the day, on the ground, and as they leave in the evening. The results of his check are turned over to timekeepers, who record the time and at the end of the week extend the time and make up the pay roll. They are what is known as inside timekeepers.

Mr. DOREMUS. How big an area does the timekeeping arrangement cover on the camp?

Col. COUPER. I think the best idea we can give of that is to show by a map which we have here, showing Camp Grant, superimposed on the same scale on a map of Washington, and in order that we can read it into the record and have an idea of just what it is, if we start at a point between the Capitol and the Library and go southwesterly, in a southwesterly direction to the Seventh Street wharves; thence along the river to Thirteenth Street; thence north to B Street NW.; thence on a curving line which runs just south of the White House and passes westward to a point where C Street NW. intersects the Potomac River near the Lincoln Memorial; thence north to the Connecticut Avenue Bridge, near the Wardman Park Hotel; thence in a southeasterly direction on a jagged line to Sixth and G Streets NE.; thence back to the starting point between the Capitol and the Library. You have covered that area, on which buildings only are located. That does not include the drill field and the maneuvering grounds, which are shown on that map. That is the area of Camp Grant, and to get the proper idea of the size it would be interesting for one, if they so desired, to walk around the city, thereby getting the full idea of the size of the camp. And Camp Grant is an average camp. It is neither larger nor smaller. The governmental activities of all of Washington are inclosed in all of that area, and you can see that some man might be loafing in

some building, and it would not be fair to say that the whole job was loafing simply because some man in some building was loafing.

Mr. DOREMUS. In your experience, Colonel, did you ever hear of or observe a man working on two checks?

Col. COUPER. Yes, sir; we had the names of several men; one man who worked on three checks. He was caught and with him four others. They were implicated in the same fraud and they were in jail some 90 days before they came to trial. My recollection of that trial is that the men were acquitted, but they were in jail a long time before they got acquitted, and it had an excellent effect.

Mr. DOREMUS. Did they really get away with some money?

Col. COUPER. We do not know that. It is quite likely that they did work some duplicate checks before we caught up on that.

Mr. DOREMUS. Why was not the system good enough to prevent a thing of that kind?

Col. COUPER. If you permit fraud and collusion, it will beat any system you can devise. That was a case of fraud and collusion and they were caught. Our only defense on any kind of work is to be vigilant and endeavor to catch the fraud.

Mr. DOREMUS. There is a great deal of testimony in the record about wastage. Have you personally seen any of this wastage at Army camps; and if so, what have you to say about it?

Col. COUPER. Yes, sir; I have seen some waste. We used to get letters from some one on the line of some of the testimony and I have answered them, usually in this way, stating that we were there and we could usually see it and when we saw it we corrected it. That is the way we did it.

Last July Col. Wright, who was then on a committee, requested me out at Camp Benning to give him a memorandum on waste, and I prepared a memorandum, a copy of which I think I have here, and which I think would be a valuable part of your record. It is based on actual conditions which were taking place at the time when these camps were going on. Col. Wright evidently was not satisfied with my say so and so he called two other men under the Construction Quartermaster, Lieut. Col. D. H. Sawyer and Lieut. Col. R. F. Proctor, the former at Camp Grant and the latter at Camp Meade, to get up a similar statement, based somewhat on the same lines.

I have both of those statements here and they are not alike, but they are somewhat similar, and they certainly could be of value to you, having been made by people who were on the ground at the time.

They show waste, and they show what the waste was used for.

(The memoranda above referred to by the witness are here printed in full in the record, as follows:)

#### USE OF LUMBER IN CANTONMENTS.

The use to which purchased lumber was put in building cantonments is estimated as follows:

	Per cent.
1. Lumber nailed in place in permanent structures.....	75
2. Lumber used in auxiliary work during and subsequent to construction of the camp, as follows: Shoring in trenches, corduroy roads, bridges, warehouses, offices, forns, latrines for workmen, bunk houses for workmen, mess halls for workmen, checking booths, scaffolding, stables	

	Per cent.
and fencing, hose-reel houses, signs, coal boxes, sidewalks, tables, timbering in military trenches and dugouts, platforms for garbage cans, lockers, shelving, various other uses that 40,000 officers and men can devise -----	15
3. Waste lumber: Unloading from cars, hauling, inferior lumber, inefficiency of carpenters, normal loss in cutting lumber to length, lumber of improper dimensions necessarily used before specified material arrived -----	10
4. Total -----	100

D. H. SAWYER,  
Lieutenant Colonel, Quartermaster Corps.  
R. F. PROCTOR,  
Lieutenant Colonel, Quartermaster Corps.

JULY 17, 1919.

#### LUMBER WASTAGE.

In camp construction of cantonment nature, lumber was used as follows. This is not a matter of record, but is based on personal observation and on numerous discussions with Government and contractor's forces during construction at two camps:

	Per cent.
1. Actually in place in permanent structures—new material -----	70
2. Actually in place in permanent structures—used material -----	5
3. Auxiliary uses, arranged in order of greatest consumption: (a) Forms, (b) temporary bridges over trenches (all water and sewer trenches being open at same time as buildings are being built require an enormous number of such bridges and they must be constantly renewed), (c) scaffolding, (d) shoring, (e) temporary structures (such as sheds, corrals, etc.), and miscellaneous uses -----	20
About one-fourth or 5 per cent of this lumber is usable and goes back into the work (see item 2) -----	5
4. Wastage caused by (a) cutting lumber to fit (a 16-foot board cut off to 14 feet gives a wastage of 12 per cent), (b) erratic deliveries, making it necessary to do excessive cutting where times does not admit of waiting for proper sizes and lengths, (c) excessive distances on camps increase necessity for cutting rather than hold up work to secure ideal lengths and sizes from another part of job, (d) inferior lumber which requires excessive cutting to secure parts of same; this does not indicate that inferior lumber was accepted at high prices; we ordered low-grade lumber and paid for the grade we received, (e) rush jobs with labor scarcity entails more or less rough and inexperienced handling of lumber and a certain loss, (f) hauling lumber over virgin country without roads causes an appreciable loss due to load shifting or falling off wagons, upsetting, etc. -----	10
	100

The lumber mentioned under paragraph 4 was collected and placed on scrap piles (there were four small and six large piles). All lumber from these piles has since been used as fuel or for other purposes.

WM. COUPER,  
Lieutenant Colonel, Quartermaster Corps.

JULY 15, 1919.

Mr. DOREMUS. It has been testified to by at least one witness, I do not recall his name, that at Camp Sherman the wastage of lumber was sufficient to have duplicated another job of the same size. Colonel, I want you to give the committee your honest opinion on that point, whether it is an exaggeration or not.

Col. COUPER. It is an exaggeration. I have submitted these recommendations, which is my idea of what the wastage was at Camp Sherman, or at any other camp, and I believe that Camp Sherman is an average camp.

Mr. DOREMUS. I asked you whether the buildings at the various cantonments are all heated in the same way?

Col. COUPER. No, sir; there were five camps that were heated throughout by steam; Camp Grant was one of the five. It was the only camp that you have looked into. Camp Jackson had various forms of heaters. The officers' quarters, the medical building, were heated by individual steam-heating plants. They had a separate plant for each building, comprising about 126 in all. The base hospital was heated from the central heating plant, which took in the entire hospital. All the barracks buildings for the men and the administration building were heated by stove heaters of various sizes.

Mr. DOREMUS. Can you enlighten the committee any as to the underground work involved in these construction jobs?

Col. COUPER. I do not believe your record shows anywhere the amount of underground work. At Camp Sherman it involved, in the completion of the work, on the original contract—there were 14.87 miles of water line, that is, in the mains, 19.825 miles of sewer line, and about 45 miles of surface line. I think those figures should be in the record to show the extent of the underground work. People rarely criticize underground work. Nearly all of the criticism has been overground, because they do not see underground, and it apparently has been out of mind.

Mr. DOREMUS. Do those figures apply to Camp Sherman?

Col. COUPER. It will be all you need to get an idea of that coupled with the table which Gen. Marshall inserted yesterday, showing the lengths of the various larger materials which were ordered, which included water and sewer pipe.

Mr. DOREMUS. How about the cots, refrigerators, and equipment for handling and taking care of thousands of men—was that included in the cost of the camp?

Col. COUPER. Those items on the original camps were distinctly omitted in the contract. Those particular things were omitted and they go as a different expense, such as is shown in your table [indicating]. No fee is paid on them other than the fee which is based on the cost of unloading and distributing and setting up those things. There is quite an expense connected with it. For instance, those three items that you have just mentioned, those are properly reimbursable items as regards fees, but the cost of the items themselves was a Government expense and does not go into the fee.

Mr. DOREMUS. Regarding the location of the various fire stations. How did you go about the building of the permanent buildings in the earlier stages of the construction?

Col. COUPER. Fire stations not located for quite some time after we started: First, because we did not have any plans; and second, because you have got to have a plan of your cantonment before you can properly locate a fire station. We only had three fire stations. Those three of necessity had to be located where they would protect the entire camp.

Mr. DOREMUS. Was that true also of the 16 cantonments?

Col. COUPER. It may vary with regard to one station, but they were located in approximately the same position. Two of the fire stations were all that we knew anything about for quite a long time. The third was shown in the typical plan of the hospital which came quite late in the construction. You can not locate any fire stations intelligently until you know what they are located to protect. So we

had to lay out the entire camp before we could locate those fire stations. It can clearly be seen that it ought to be so that it will protect the entire camp, and so that you could get to any point in the camp, with the minimum amount of time, and you should locate the fire stations so that the engine in leaving the house would go down the hill. That is fundamental and involves your topographical map.

Mr. DOREMUS. Can you tell us, or does it already appear in the record of how many separate projects of construction were abandoned at the time of the signing of the armistice?

Col. COUPER. That is not in yet. I counted up from the annual report of this year, of the construction division, and there were 182 projects on which work was abandoned. How many contracts were abandoned I do not know. Certainly there were on some of them more than one contract on a project, but that involves digging into the records, and I have not had time to do that.

Mr. DOREMUS. I wish you would tell the committee all you know about how the commissary was operated.

Col. COUPER. I have here, since the discussion of this matter, a set of instructions concerning the commissary which was issued June 28, 1917. The operation of the commissary is the operation which involves more discussion than any other one thing concerned with the construction of the camps. Not one night, but many nights we had been up till 2 and 3 o'clock in the morning discussing principally the commissary. It is the one thing that they can beat you on if you are not smart. It is particularly difficult to handle a Government proposition because of the requirement of the order. For instance, men may come to us, work, make \$3 in money, take that \$3 in the commissary, take out \$3 in the commissary checks, calls it square and goes away. You have got no receipt.

The Government has not been defrauded one nickel, because you got \$3 worth of work out of him and he got \$3 worth of meals. You gave him no money. It made it necessary whereby a man had to sign for his commissary checks. That was one thing that we learned under the commissary because no settlements are made from time to time as in the other kinds of work. The contractor has to operate his commissary throughout the job. This is in the contract. It is an administrative feature. The only thing he gets back from his commissary is what he gets from a man who he feeds. At the end of business, if he is ahead, that reverts to the Government; if he is behind it is a loss, no fee is paid on that operation regardless if he is ahead of behind.

I think it proper here, if you do not object, to put these instructions in the record. They may be of value to you.

(The instructions for the government of contractors, referred to by the witness, are here printed in full in the record, as follows:)

WAR DEPARTMENT,  
OFFICE OF THE QUARTERMASTER GENERAL OF THE ARMY,  
Washington, June 28, 1917.

No. 652 (commissaries).

From: Officer in charge of cantonment construction.

To: Constructing quartermasters and divisional auditors.

Subject: Commissaries.

The following instructions will govern you in the handling of the contractor's commissary:

Commissary privilege will not be sublet.

The settlement to the contractor for his investment in commissary supplies will be made at the completion of the work.

The Government will not finance the contractor's commissary.

The contractor is reimbursed for the purchases made by employees through the commissary weekly by repayment to him of the gross pay roll.

Government regulations prohibit the contractor from making a profit on his commissary sales, and, therefore, the amount to be added to the cost of the supplies delivered at the cantonment must be the percentage that will meet only the overhead charges, such as clerk hire, wastage, wrapping paper, and other elements of an overhead nature.

It is estimated that 10 per cent added to the cost of merchandise purchased by the contractor will cover this expense.

To prove this correct, the contractor will take a monthly inventory under the supervision of the field auditor, and if this 10 per cent is not the correct percentage adjustment must be made in the following month.

Cash registers should be installed in the commissary, preferably registers with two keys—one for cash sales and the other to indicate charge sales made to the contractor's employees.

Credit sales are not to be made to employees other than contractor's employees.

The commissary clerk will verify each night the amount of cash collected at the commissaries, the cash being retained by the contractor. Due consideration of same must be taken in figuring the results of commissaries.

For contractor's employees who mess at the commissary the amount of the weekly charge for such services shall be deducted from their salary on the pay roll as a separate item from commissary orders.

The division auditor in paying his staff will deduct from their salary the amount for mess and will pay this over direct to the contractor. The engineering field force who mess at the commissary will have to be charged, and constructing engineer will arrange to settle this with the contractor along the same lines as the division auditor.

All such mess charges will necessarily be taken into consideration in figuring commissary results.

The timekeepers will furnish the contractor's employees with orders on the commissary for food and other supplies, taking care that such orders are not for a greater amount than the employees have earned. These orders are for a fixed amount, with marginal figures that can be punched out for the amount of each purchase. These orders on the commissary will be in duplicate, the receipt for each to be taken on the original order, which is to be retained by the timekeeper as a receipt against the pay roll.

The duplicate order, which is given to the employee, will be punched at the commissary for food or other supplies and will be used to ascertain the amount of the commissary sales.

When the ticket is completely punched it will be retained in the commissary for the auditor.

The Government regulations do not permit a profit on the mess, consequently the accounting department must see that the contractor's laborers are only charged such an amount for mess as would cover actual cost, so that if it is demonstrated that the charge is greater than the cost a refund must be made. It should be understood that where cost is mentioned in the handling of commissary it includes the waiters, cooks, fuel, dishes, ranges, etc. Consequently it will be necessary for you to provide a form showing the cost of supplies issued out of the commissary to the kitchen.

From the above you will see that it is necessary to keep an accurate account of cost of commissary and the result of commissary operations.

Very truly, yours,

I. W. LITTELL,

Colonel, Quartermaster Corps,  
In Charge of Cantonment Construction.

By \_\_\_\_\_,

Major, Quartermaster, U. S. R.

Col. COUPER. That commissary involves more than just feeding men. You must operate, in the Southern States, stores. The Negroes prefer to buy everything and cook it themselves. They will not eat the cooking that you prepare.



We, in my place, made money on the stores. We lost money on the feeding. The difference between the two is thirty-three thousand and some odd dollars at the end of the job.

The contractors on that particular job were experts on running a commissary. We did not hire other than the man on the job. He managed things for us. His name was Pickens, and he had made a specialty of beating emergency crowds, such as the unions of the Grand Army of the Republic or the Confederate Veterans, where some six or seven thousand are involved, usually to be fed in camps, and tents, out on the job. In addition he operated a very large store, one that would be considered a large store in Washington. This was necessary because camps are usually far away from cities and sources of supply. In the past he had been compelled to do this because he operated way off in the country, usually, on building large dams, etc. They usually make money in the store and lose it in the commissary.

Mr. DOREMUS. Is there anything further you care to say in regard to the commissary proposition?

Col. COUPER. I think that covers the case.

Mr. DOREMUS. State whether you are letting contracts now on bids which you received.

Col. COUPER. Yes, sir; in a way they are agreement of sale. They are based on bids. We do not find in hardly a single instance that the high bidder gets off without having a whole lot to explain, because every man who is not a high bidder has some one to come to Washington and talk, or agency to call the attention to the fact that his bid should have been considered a high bid for one thing or another.

Mr. DOREMUS. As the work progressed on the different cantonments, Col. Couper, what do you consider the greatest difficulty that you encountered?

Col. COUPER. I have frequently remarked and still believe that the greatest difficulty that we had in the second camp, and I was building one at the time of the armistice, was too much help. We were getting so well organized that every time we started to do something you would be treading on some one's toes, for instance, and we found it very difficult to operate. I mention this to show simply that I think our greatest aid in building our cantonments in the first place was that there were no precedents. Had we had all that help and advice we would never have gotten the work completed as, every man for himself, you were able to go out on your own resources and get something done. That was why, I think, the new organization had such an extreme advantage over one that was already organized.

Mr. DOREMUS. What you just said with regards to too much help applies to the second camps, am I right about that?

Col. COUPER. Yes; right along.

Mr. McKENZIE. We are not to understand from your statement in connection with this matter that the more experience you had the more it cost the Government?

Col. COUPER. No, sir; I did not say that.

Mr. McKENZIE. The way it struck me was that being inexperienced you got along better and succeeded better than if you had had a trained force helping you; that is the way I understand you.

Col. COUPER. Perhaps I should explain myself. Suppose you want to employ some men, and the first thing you do is to employ

them. Then the first thing you are told is that you can not employ anybody, that there is a Government agency set up, the United States Employment Service, who will furnish you your men—yes—they do not.

You can not get men through the United States Employment Service.

We had sought that time and time again. Although we could have sent out recruiters and gotten those men, and we knew where they were, yet we could not bring them to us because we were not permitted to do so.

Mr. DOREMUS. Why were you not permitted?

Col. COUPER. This law was passed to keep the men in the community, not to rob the community. It of course causes some hardship to take some men out of a community. It also causes a hardship not to be able to get the work done. It was a question of opinion.

Mr. McKENZIE. Are you sure about that?

Col. COUPER. Positive.

Mr. McKENZIE. Some of us had the view that that law was passed primarily to give a certain number of fellows in Washington a good job.

Col. COUPER. There may be something in that, but it hurt very much.

Mr. DOREMUS. What precautions were taken, if any, by the Construction Division to prevent anyone from getting on the contractor's rolls on which the Government had to make reimbursement?

Col. COUPER. Well, the contract primarily covers that, but the emergency method of handling that was always to put each one of the contractors and the subcontractors—require them to fill in a statement saying that no one was on the roll of their company who were reimbursed by the Government, or who in any way shared in the fee. That goes just a little further than the contract requirements, and I thought it was a good proposition, because a man might not be a member of a company and still share in the fee. For instance, a contractor might hire a superintendent and tell him, "Your job here is to be ——— dollars and 5 per cent of the fee," or something of that kind, and he would be interested in increasing that fee, and it was for that reason that we required that kind of a thing. I understand that some men gave certificates that they did not share in the fee, and evidence has been shown otherwise, and your records show and, of course, that immediately involved fraud with the Government agency to handle that.

Mr. DOREMUS. The purpose of that precaution, as I gather from what you stated, is to prevent men from getting on the pay rolls who had a financial interest in the contract.

Col. COUPER. Absolutely.

Mr. DOREMUS. Were there numerous instances in which attempts were made to beat the Government in that sort of a manner?

Col. COUPER. I never heard of numerous instances.

Mr. DOREMUS. Did you ever hear of any?

Col. COUPER. Only what was brought out here in the testimony. You have some complaint about Faulconer, at Camp Lee. In that business of increasing the fee we did not know, but I assume, as your record shows, there is Camp Sherman, that the maximum fee

would be reached. We thought we knew it, but we did not know it until some time in August. But the general contractor, Mr. Hardaway, the first day he came on that job, in checking the thing over, said, "I am very anxious that we do the job the quickest of any and the cheapest of any," and all through he certainly seemed to bear that out.

I know myself that he has written to the local people asking them to bring influence on their Congressmen to hold down wages. The people were endeavoring to get their wages raised. We were able to maintain the same scale throughout the contract, and the contractor would not have endeavored to hold that down if he wanted to boost his fee. Another instance, I think, and I hold no brief, is that he built all of the Y. M. C. A. building in that camp—at that camp—for \$1. That was not done for the Government. It was done for the Y. M. C. A.

Mr. McKENZIE. You say that Mr. Hardaway built all of the Y. M. C. A. buildings for \$1? You mean by that, of course, that he got the contract for \$1 and the actual cost?

Col. COUPER. Yes, sir; and Mr. Hardaway told me later on that he did the entire job for nothing. He financed the actual money involved, and I believe he told me later on it was between \$4,000 and \$5,000.

Mr. DOREMUS. There was some testimony introduced a day or two ago, I think, by Mr. Storek to show that the contractors on the job at Camp Lee derived a financial benefit by being members of a hardware company that sold hardware to the contractors. Do you know anything at all about that?

Col. COUPER. No, sir.

Mr. DOREMUS. In these precautions that you have referred to, was it your intention to stop that sort of thing?

Col. COUPER. Yes, sir.

Mr. DOREMUS. In other words, you did not consider it for a contractor on one of those jobs to make money on the side out of the materials that were sold to him in addition to his fee?

Col. COUPER. Absolutely not.

Mr. McCULLOCH. I was not present at the beginning of your testimony, Col. Couper, and some of the questions I may ask you may be a repetition. I do not want to encumber the record if I can help it. When did you enter the service; in what capacity?

Col. COUPER. As a major in the Quartermaster Corps.

Mr. McCULLOCH. That is, the Construction Division?

Col. COUPER. No, sir.

Mr. McCULLOCH. What is it, then?

Col. COUPER. At that time the Cantonment Division was an off-spring from the old Quartermaster Corps, and there was no separate corps—no exact Cantonment Division—so I was commissioned in the Quartermaster Corps.

Mr. McCULLOCH. What kind of work were you in charge of in the Cantonment Division?

Col. COUPER. No. On May 26 I came here and was busy in the office while plans were being prepared and the contract. On June 6 I was commissioned and continued in Washington until they picked the site; then on June 17 I went to Columbia, S. C., and took charge

of the work and was there until the finish as the constructing quartermaster at that camp—until completion.

Mr. McCULLOCH. What was your business before you went into the Army?

Col. COUPER. That is all in the record. Do you wish me to repeat it? After graduating at the Virginia Military Institute and the Massachusetts Institute of Technology in civil engineering I entered the employ of the Pennsylvania Railroad Co. and was engaged in construction work in New York under the North and East Rivers—compressed air. I was later on the board of engineers which had supervision over all of the work in the vicinity of New York, that work amounting to about \$159,000,000. Later I was in the operating department.

Mr. McCULLOCH. Were you on the board as an engineer?

Col. COUPER. I was. I was assistant to the chairman of the board and secretary of the board.

Mr. McCULLOCH. How many were on that board?

Col. COUPER. Five. They were Mr. Charles M. Jacobs, who was the civil engineer of the North River Tunnels, and who also constructed the Hudson Terminal, of international reputation; Alfred Noble, chief engineer of the East River division, and one of the greatest engineers, I believe, this country has ever produced; Mr. George Gibbs, who was the civil engineer on electrical traction and terminal station construction, who, I believe, is the foremost expert in his line to-day; Gen. Charles W. Raymond, who was chairman of the board; and Mr. Gustav Lindenthal, who was an engineer of international reputation.

Mr. McCULLOCH. You say you were a member of the board?

Col. COUPER. I was the assistant to the chairman of that board and the secretary.

Mr. McCULLOCH. You were not a member.

Col. COUPER. The secretary is a member to that extent only.

Mr. McCULLOCH. I wish you would tell us, as secretary, what were your duties.

Col. COUPER. As secretary of that board I had the usual secretarial routine; seeing that the work of that board was disseminated throughout the branches as an organization job.

Mr. McCULLOCH. Keeping the records, is that it?

Col. COUPER. That is it.

Mr. McCULLOCH. Did you ever have actual engineering work?

Col. COUPER. I certainly did before I went on the board.

Mr. McCULLOCH. While on the board you were the secretary?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. And did the usual work of a secretary and assistant to him?

Col. COUPER. Which involved engineering work.

Mr. McCULLOCH. What was that engineering work?

Col. COUPER. All kinds of studies, of how things should be done.

Mr. McCULLOCH. You made studies, did you, of any work? Did you carry anything out? Were you in the field directing men, handling men?

Col. COUPER. No.

Mr. McCULLOCH. So your experience on this board did not involve the actual handling of men?

Col. COUPER. It did not.

Mr. McCULLOCH. But you say prior to your work on that board that you had charge of men, and were experienced along that line, particularly in the handling of men?

Col. COUPER. Yes, sir; I was in the tunnel.

Mr. McCULLOCH. In what capacity?

Col. COUPER. As an assistant engineer.

Mr. McCULLOCH. What did you do then?

Col. COUPER. That involved line work, test work on the rim of the tunnel and test work of that nature under the river.

Mr. McCULLOCH. You mean that you directed the men in carrying on of engineering plans?

Col. COUPER. I did not say that.

Mr. McCULLOCH. I want to find out what was the nature of your work?

Col. COUPER. The nature of my work was testing work, in connection with getting the pressures on the rim of that tunnel.

Mr. McCULLOCH. How many men did you have under you?

Col. COUPER. I only had two men.

Mr. McCULLOCH. What did you do in your testing. How did you test?

Col. COUPER. We insert gauges in the rim of the tunnel which registered the pressure of the silt in the river bed.

Mr. McCULLOCH. So that it was a technical operation?

Col. COUPER. Yes, sir; it was a technical operation.

Mr. McCULLOCH. It involved a technical skill along a certain line; but was it the handling of men or the directing the construction of an organization?

Col. COUPER. No.

Mr. McCULLOCH. Did you ever have any experience along that line?

Col. COUPER. The record shows. This morning—that I have been foreman on work handling men, directly under me as foreman. I have had as many as 650 men.

Mr. McCULLOCH. Where was that?

Col. COUPER. In New York.

Mr. McCULLOCH. Tell us where you were and all about it.

Col. COUPER. Along the river front.

Mr. McCULLOCH. By whom were you employed?

Col. COUPER. By the Pennsylvania Railroad.

Mr. McCULLOCH. What was the nature of the work?

Col. COUPER. Handling all kinds of material, everything you can think of.

Mr. McCULLOCH. Doing what; construction work?

Col. COUPER. No, sir; not construction.

Mr. McCULLOCH. What were you doing?

Col. COUPER. Moving things.

Mr. McCULLOCH. Were you foreman over a gang of men who were moving things?

Col. COUPER. Everything you can think of; internal and external commerce. I also had been general foreman of gangs of probably 200 men.

Mr. McCULLOCH. You had a gang of men who were moving stuff from a big boat to a smaller boat to tow it to the shore.

Col. COUPER. That is it.

Mr. McCULLOCH. That is not construction work?

Col. COUPER. No, sir.

Mr. McCULLOCH. Did you have any experience in the handling of men in the construction of buildings, or any other kind of construction, prior to entering the Army?

Col. COUPER. No.

Mr. McCULLOCH. Now, when you entered the Quartermaster Corps you say you were assigned to what camp?

Col. COUPER. Camp Jackson, but it was not called that at the time.

Mr. McCULLOCH. What were your duties before you went down there? What was the nature of the work you were doing here in Washington?

Col. COUPER. I had no duties here in Washington, whatever. It was only a matter of keeping your eyes open and see what they wished to do. I did that.

Mr. McCULLOCH. Were you required to furnish any qualification for the work of a constructing quartermaster, to show that you were capable of doing it? What was done along that line?

Col. COUPER. They inquired into what I had done before.

Mr. McCULLOCH. No part of it has been along that line.

Col. COUPER. I do not agree with you. This was an organization job. I had been around construction, and I have directed large bodies of men.

Mr. McCULLOCH. But you have just testified that you never did any construction work before you entered the Army.

Col. COUPER. That is true.

Mr. McCULLOCH. How long were you down at Camp Jackson?

Col. COUPER. I was at Camp Jackson from June 17, 1917, to December 29, 1917.

Mr. McCULLOCH. What instructions did you receive as to how you were to proceed in your work down there?

Col. COUPER. I had some layout maps showing units and had a few plans showing typical buildings. I knew in a general way how those layout maps were to be applied to the grounds, having seen them here in Washington. I knew in a general way what facilities or utilities they were going to put in, such as the main sewers and so on. I had in mind an organization which would originally handle a large number of men and keep them ordinarily proceeding from one job to another to get the plans which I had carried out; further than that, I had nothing other than the contract; no force, nothing. My instructions were to build my own force.

Mr. McCULLOCH. Was there a contractor down there?

Col. COUPER. There was not when I went there.

Mr. McCULLOCH. You proceeded for how long before the contractors got on the job?

Col. COUPER. I think two days.

Mr. McCULLOCH. What did you do during those two days?

Col. COUPER. I sent a lot of telegrams. I knew through having been at school and my association the kind of construction men I would need for the job, and so I started at the top and I assembled men who were experts in practically every field of construction work.

Mr. McCULLOCH. To do what?

Col. COUPER. To take charge of training these gangs who were to come in along the line in which we wanted them to proceed.

Mr. McCULLOCH. What did you accomplish along that line?

Col. COUPER. We formed an organization in a very few days which carried out the work successfully.

Mr. McCULLOCH. In carrying out the work successfully, what were the duties of your organization which you had formed?

Col. COUPER. We would take the plans and issue them through what we called the field engineer, and he would pass them on to his organization, who in turn would instruct the contractor's men just where to start the work and how we wished to proceed, and every day they would keep track of how they were proceeding so that we would know at any time, if necessary, whether to shift the force or not.

Mr. McCULLOCH. I understand you were down there and started in to get the organization together. You say you knew where to get men from your school.

Col. COUPER. I said nothing of the kind. What I did say was this. I said through my associations.

Mr. McCULLOCH. What kind of men did you get on that job?

Col. COUPER. I got men who had worked in construction work all their lives. Practical men who knew how to lay water pipe, lay sewers, and how to do all of these necessary things.

Mr. McCULLOCH. How many men did you take on that job?

Col. COUPER. I got about 20. I may be wrong on that, there may have been a few less.

Mr. McCULLOCH. Did you then hire those men as civilians, or were they commissioned in the Army?

Col. COUPER. They were hired as civilians.

Mr. McCULLOCH. And they were hired by you as the constructing quartermaster?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. And how were they paid?

Col. COUPER. They were paid by me as constructing quartermaster.

Mr. McCULLOCH. They were an organization separate and apart from the contractors' organization?

Col. COUPER. There were two ways of doing it. I elected that way of doing it rather than going out and hiring an engineering firm and having them to do the engineering work.

Mr. McCULLOCH. What did these 20 men that you selected do?

Col. COUPER. There was the field engineer, who was in charge; under him there was a chief water inspector; there was a chief sewer inspector; there was an electrical man and there was a chief concrete man and there was a road man; there was a chief railroad man, there was a chief plumbing man and there was a chief heating man. I think that is all.

Mr. McCULLOCH. You say there was a maximum of 20 men in your force?

Col. COUPER. No; I said they were the chief men. All told, in the engineer force, there was at the peak, this is from recollection only, I think about 125 men. The bulk of the workmen were surveyors and inspectors.

Mr. McCULLOCH. That is the engineering corps. What other men did you have under you down there?

Col. COUPER. An Auditing Division employed in almost the same way. They were Government men, but they were hired through a division auditor. We paid him and he paid his men. In that corps there was, from recollection, I think 150 men at the peak. They were made up of timekeepers, time checkers, pay-roll men, commissary men, auditing forces of all kinds; material inspectors and checkers.

Mr. McCULLOCH. How did you go about it Col. Couper to get this engineering force? Tell us how you got it.

Col. COUPER. I telegraphed the men and asked them if they would come at the salaries that I could pay.

Mr. McCULLOCH. Who did you telegraph to?

Col. COUPER. The first was the field engineer, who was Mr. Gibbs.

Mr. McCULLOCH. How did you select him; what was he to do when you got him?

Col. COUPER. He had finished the subway job.

Mr. McCULLOCH. You wired him to come on from New York?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. And you then made him what?

Col. COUPER. Field engineer.

Mr. McCULLOCH. Did he assist you in developing the balance of the engineering corps?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Where did you collect them from—you say from New York?

Col. COUPER. Nearly all of them from engineering and constructing firms who were working in New York.

Mr. McCULLOCH. That is, you got them from men who were in civilian life?

Col. COUPER. They were all civilians.

Mr. McCULLOCH. Was your entire engineer corps made up of civilians whom you brought in from the outside?

Col. COUPER. Certainly.

Mr. McCULLOCH. I wish you would tell the committee if you had called upon the Corps of Engineers.

Col. COUPER. We had an engineering company there for some time. I think they had 87 men there. And they did about as much work as one railroad party. We did not call upon the Corps of Engineers, because they had troubles of their own.

Mr. McCULLOCH. How did you know that they had troubles of their own?

Col. COUPER. You have got better testimony than mine in the record.

Mr. McCULLOCH. But I say how did you know they had troubles of their own? You say you did not call on them.

Col. COUPER. I did not wish to call on them. It was a well-known fact here in Washington that they could not furnish the men, having been asked to furnish them.

Mr. McCULLOCH. Were you told that here in Washington?

Col. COUPER. I am not positive. I say I think I was told that.

Mr. McCULLOCH. Were you under instructions not to call upon the Army Engineers for this work, but to develop a civilian force outside?

Col. COUPER. No; I was under no such instructions.



Mr. McCULLOCH. Were you operating entirely upon your own responsibility in that regard?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. What were your instructions?

Col. COUPER. I have related.

Mr. McCULLOCH. I wish you would relate them again.

Col. COUPER. We were furnished with what is known as the manual for constructing quartermasters, which you have there and which you have had for a long time. That outlines in a general way what was desired by the Washington office.

Mr. McCULLOCH. Were your orders from the Washington office?

Col. COUPER. From the War Department. If you want to know what those instructions are I think they should be inserted here. I have them here.

Mr. McCULLOCH. Were you handed this book and told to go down and develop this corps, and did you receive instructions from some one how to proceed? How to develop this corps?

Col. COUPER. I recall no instructions. I was told to go down and build the camp along the line that I had seen it developed in the drafting room of the War Department. I had no positive instructions about anything.

Mr. McCULLOCH. You were given absolute authority to proceed as you thought best, that is the idea, is it?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Was there anything said by the department here as to utilizing the forces that were available in engineering, the Engineers?

Col. COUPER. Nothing was said to me about it.

Mr. McCULLOCH. Why did not you ask the Corps of Engineers to furnish you this engineering organization for that camp?

Col. COUPER. I have no fight with the Engineers, but I knew how they were fixed for men probably for this reason—I had received on the 1st of May, three requests to join the Engineers, and I gathered from that they had need for all the men that they could get. I personally had three requests from them to join the Engineers. That was not the reason why I did it, but it was only a state of mind that probably did contribute to it.

Mr. McCULLOCH. So, that you did not call on them because you had the impression that they would not be able to furnish you men?

Col. COUPER. I do not know that I gave it a thought.

Mr. McCULLOCH. And you had no instructions at all on the subject from your superiors?

Col. COUPER. No.

Mr. McCULLOCH. And you had been in the Army how long?

Col. COUPER. I have been in the Army since June 6, 1917.

Mr. McCULLOCH. And you started down there when?

Col. COUPER. June 17.

Mr. McCULLOCH. You had been in the Army 11 days?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. And you had gathered an impression or two from an application or from calls that had been made on you to join the Engineer Corps, that they needed men; is that right?

Col. COUPER. That probably created an impression. It has been a long time ago. I do not remember anything of that sort—of that stuff that you are talking about.

Mr. McCULLOCH. You do remember about getting into the Army?

Col. COUPER. Fairly well.

Mr. McCULLOCH. Do you remember the day you got in?

Col. COUPER. Yes, sir. I have to repeat that quite often.

Mr. McCULLOCH. And you remember that you did go down to this camp 11 days after you went into the Army?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. That your instructions were to go and build this camp; is that right?

Col. COUPER. That is right.

Mr. McCULLOCH. Now you tell the committee that you received no instructions from Washington as to how you were to proceed or what you were to do?

Col. COUPER. I did not say that, I think.

Mr. McCULLOCH. Tell us what the instructions were.

Col. COUPER. The instructions were printed, and I have them here, and I shall be glad to read them or put them in the record. I think you have read them, though.

Mr. McCULLOCH. Who did you talk to when you came on here, after you had been inducted into the Army?

Col. COUPER. The first man that I saw when I came here was Col. Wheaton, who was Mr. Wheaton, and his instruction was that the best thing I could do was to go in the drafting room, because that was where every new idea was. He told me to go there and keep my eyes open, and I carried out his instructions.

Mr. McCULLOCH. What was happening in this wonderful place?

Col. COUPER. It was not a small room.

Mr. McCULLOCH. You said that everything that happened happened there. What was happening?

Col. COUPER. I said the new ideas all came in there.

Mr. McCULLOCH. How about your ideas?

Col. COUPER. I met in this room the men who had been drawn and who would also be sent out to the various camps. I did not know that I would be sent out. These men had ideas of their own, and between the lot of us we talked and discussed, and we formulated our ideas of procedure.

Mr. McCULLOCH. Who were these men and their present rank?

Col. COUPER. Mr. Butler.

Mr. McCULLOCH. Was he a civilian?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. How long had he been connected with the Government?

Col. COUPER. He was not then connected with the Government. We were all there as possible constructing quartermasters. We were all then serving without any pay.

There was Mr. Lamphere, Mr. Pease.

Mr. McCULLOCH. Where is he from?

Col. COUPER. Atlanta, Ga.; then there was Mr. Proctor.

Mr. McCULLOCH. Was Mr. Pease afterwards constructing quartermaster at Camp Gordon?

Col. COUPER. Yes, sir; then there was Mr. Meyers, and a large number of others. Those are all of them that I can name. Many of them were later constructing quartermasters.

Mr. McCULLOCH. But these men, had they been called with the possibility of being commissioned?

Col. COUPER. Yes, sir; they were all called.

Mr. McCULLOCH. Who called you, Colonel?

Col. COUPER. Gen. Littell.

Mr. McCULLOCH. Had you made any application for service in the Quartermaster Corps?

Col. COUPER. My application was for the Infantry.

Mr. McCULLOCH. You say your application was for the Infantry?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Did you enlist as a private?

Col. COUPER. No, sir; I applied first to The Adjutant General for a commission and sent—

Mr. McCULLOCH (interposing). In the Infantry, and secured the position of constructing quartermaster of a camp?

Col. COUPER. They asked what branch you cared to go into and I thought I knew more about men than some people, consequently took the Infantry.

Mr. McCULLOCH. Had you been in the Army before?

Col. COUPER. I had military training.

Mr. McCULLOCH. You were in the National Guard?

Col. COUPER. No, sir; I was in the Virginia Military School.

Mr. McCULLOCH. Do you know what made them select you for the Engineer Corps when you regarded yourself as best qualified for the Infantry.

Col. COUPER. No, sir; I do not know. Maybe they wanted men with technical training, who had experience in handling men.

Mr. McCULLOCH. So you do not know how your selection was made.

Col. COUPER. No, sir.

Mr. McCULLOCH. And you were commissioned as a major?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Do you know who sent your name to Gen. Littell?

Col. COUPER. I am not sure, but I think it was Admiral Capps.

Mr. McCULLOCH. And do you know what made him make that suggestion?

Col. COUPER. I think he heard that they were looking for men who could handle the job. He knew me and he recommended me.

Mr. McCULLOCH. How about these other men who went there; you say how many of them were there?

Col. COUPER. There were 10 to 14, sir.

Mr. McCULLOCH. And you had all come there, you had enlisted, and were new men in the service?

Col. COUPER. Only one had been commissioned prior to that; he was Maj. Fordyce.

Mr. McCULLOCH. Had they received the same instructions that you received?

Col. COUPER. I think we all got the same instructions.

Mr. McCULLOCH. That was to go into this room and watch the plans to develop and gather all the information you could?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. You remained there how many days?

Col. COUPER. From May 26 to June 17.

Mr. McCULLOCH. Were you in that particular room all that time?

Col. COUPER. I was there a good deal of the time.

Mr. McCULLOCH. In addition to the information and knowledge that you absorbed in that atmosphere, what else was said or done in the way of giving you instructions, if anything, before you started down to take charge of this work?

Col. COUPER. I recall now that we questioned Maj. Dempsey, who had been before this committee and had a great deal of experience in war and procedure, as regards their accounting there. He had been accounting for the Government, traveling auditor, business for railroads, and all kinds of work, and we asked him all kinds of questions. We bombarded him with questions and he was extremely nice in telling us because we were utterly ignorant of the procedure. He was very instructive.

Mr. McCULLOCH. I suppose you knew that it would be necessary for you to develop your engineering corps, because the first thing you did was to send telegrams for engineers to get on the different jobs?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. You understood from the knowledge that you absorbed in this room, that you would have to develop this engineering corps?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. What was said about the facilities of the Government, for furnishing engineers?

Col. COUPER. Nothing.

Mr. McCULLOCH. Not a word was said about it?

Col. COUPER. Nothing.

Mr. McCULLOCH. Do you know that we had in our Army an Engineer Corps?

Col. COUPER. I served with the Engineer Corps as an assistant to an Engineer officer for a number of years.

Mr. McCULLOCH. In the Regular Army?

Col. COUPER. No. I was an assistant to an engineering officer.

Mr. McCULLOCH. Tell us about that.

Col. COUPER. I mean Gen. Reynolds; he was chairman of the Board of Engineers.

Mr. McCULLOCH. Oh, you mean in this New York project?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. That was not a Government position?

Col. COUPER. No.

Mr. McCULLOCH. I am trying to get down to what knowledge, if anything, you had, or what instructions, if any, you received in regard to the utilization of the Engineer Corps of the Army in the construction of these camps.

Col. COUPER. I have stated that I have no knowledge of any instructions to use them. We had none.

Mr. McCULLOCH. But you had known that there was such a department?

Col. COUPER. Yes, sir; of course.

Mr. McCULLOCH. How do you account for receiving no instructions in regard to the utilization of forces that already existed?

Col. COUPER. I question that they existed.

Mr. McCULLOCH. You do not think there was an Engineer Corps?

Col. COUPER. It has not been shown that there was any available engineers.

Mr. McCULLOCH. You were present, were you not, when Col. Sherrill and Gen. Black testified that they had a complete corps of Army engineers?

Col. COUPER. They had a corps of engineers with duties of their own. Gen. Black's testimony has been rather clarified by people who had interviews with him.

Mr. McCULLOCH. Could you tell us who those people are?

Col. COUPER. Mr. Fuller and Mr. Metcalf.

Mr. McCULLOCH. You did know that there was such a thing as an Engineer Corps?

Col. COUPER. Oh, yes.

Mr. McCULLOCH. And during all this time there was not a word said to you about utilizing that corps; is that correct?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Were you put on your guard about it?

Col. COUPER. No.

Mr. McCULLOCH. You paid no attention to it?

Col. COUPER. None whatever.

Mr. McCULLOCH. And you went down there and developed your own engineer corps out of civilians?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Do you know whether the same procedure was followed by the other constructing quartermasters in developing their engineering forces?

Col. COUPER. I do not know anything about that.

Mr. McCULLOCH. Can you give the committee any knowledge of the experience of the men who were getting ready to do the same kind of work that you did, who were in that room that you have talked about, being in that room for that 10 days?

Col. COUPER. You knew Col. Pease; he has been with the Lockwood-Green Co., a constructing firm; there was Col. Lamphere, who had been with the B. & O. Railway; he had been the most successful constructing quartermaster, and he had been at Chicago.

Mr. McCULLOCH. Where was he sent?

Col. COUPER. He was at Camp Taylor. Maj. Meyers had been working in New York State, on aqueduct work. Proctor had been with the William-Sherrett Co., who had gone into construction matters. The other men I do not recall.

Mr. McCULLOCH. With this 11 days' experience here in Washington—

Col. COUPER (interposing). I was in Washington more than 11 days; I was commissioned after 11 days.

Mr. McCULLOCH. How long were you here?

Col. COUPER. From May 26 to June 17.

Mr. McCULLOCH. You were commissioned when?

Col. COUPER. June 6.

Mr. McCULLOCH. And how long did you remain here after you were commissioned?

Col. COUPER. Eleven days.

Mr. McCULLOCH. And from May 26 to June 6, you were without pay, is that right?

Col. COUPER. Yes, sir; from June 6 I began to draw the pay of a major in the Army.

Mr. McCULLOCH. And 11 days after you went down there to take your assignment?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. In addition to engineering you say you developed the auditor's force?

Col. COUPER. No, sir; I did not say that. They were there. You asked what other forces were there. The auditor's force was developed by Mr. Charles Neville, who was a division auditor.

Mr. McCULLOCH. Was he under your direction?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Did you regard it as a competent force?

Col. COUPER. Very competent. I had a little trouble at first. The field auditor was a man who apparently lost his nerve, and when I requisitioned that he be removed, he was removed and an excellent man was put on the job.

Mr. McCULLOCH. In connection with the engineering work, I wish you would tell the committee again, if necessary, what you did.

Col. COUPER. The first thing the engineering force did was to make a map of the camp, but all of the engineers did not work on that at one time. As soon as we got far enough along we started a force going around to stake off. Then there was another force a few days afterwards that staked out the buildings and set the lines and levels; and then there is another force on water, there is another force on sewers, there is another force on railways, and likewise in regard to the roads themselves. In other words, you had to lay out your complete camp.

Mr. McCULLOCH. You did that all with how many men?

Col. COUPER. I should judge in a surveying party there were 50 to 75 men at the peak. The balance of 125 men were being utilized principally as inspectors, pushing the work, seeing that it was properly done and in the correct order. They also made progress reports.

Mr. McCULLOCH. By pushing the work, what do you mean?

Col. COUPER. They had no authority to discharge anybody, but they had full instructions to report any laxity, and then I would have the men discharged through the contractor. They furnished just that force which you seem to think was not on the ground.

Mr. McCULLOCH. What makes you assume that?

Col. COUPER. Because you have stated it.

Mr. McCULLOCH. I have not stated so.

Col. COUPER. Then I will withdraw it.

Mr. McCULLOCH. I want to get that clear. Why do you assume—

Col. COUPER. I may be mistaken, but I think that you assumed or stated at Chillicothe that the Government was permitting these people to loaf.

Mr. McCULLOCH. You say I said that at Chillicothe?

Col. COUPER. I think you stated that.

Mr. McCULLOCH. You are wrong.

Just in that connection now: Did you have any interview with Gen. Marshall about statements that I made in the record or outside of the record in connection with these hearings?

Col. COUPER. I talked with Gen. Marshall quite a bit.

Mr. McCULLOCH. What did you say to him about that?

Col. COUPER. I do not recall anything.

Mr. McCULLOCH. Did you say to Gen. Marshall that I was misquoting him?

Col. COUPER. I made no such statement.

Mr. McCULLOCH. What did you say to Gen. Marshall about what I said?

Col. COUPER. I never said anything to him about what you did say. I reported the progress of this investigation. He was very much interested in this investigation. I do not know that I ever paid any particular attention to what you did say. I am perfectly willing to say that I may be wrong, but it was my impression that you had an idea that we did not check this work to see that there could not be any loafing.

Mr. McCULLOCH. Were your reports to Gen. Marshall along this general line?

Col. COUPER. I did not report your attitude.

Mr. McCULLOCH. It has been reported to me that Gen. Marshall made the statement that I was misquoting him.

Col. COUPER. Then I think you should ask Gen. Marshall.

Mr. McCULLOCH. But I am asking you if you said to Gen. Marshall anything along this line?

Col. COUPER. I made that to your face.

Mr. McCULLOCH. I am asking you if you made that statement to Gen. Marshall when I was not present.

Col. COUPER. No. We can see that it is necessary to have men who are not contractor's men see that men do their work properly. I believe that is conceded to be good policy. It may not be. That is what this force of inspectors had to do. They stick with the work. When new work was to be done they were the men who went to the ground and showed the contractor where to start and how to finish the work. You might have a camp 90 per cent complete and not be able to take care of a single man. But if you had your camp arranged so that you can take care of the units as they arrive, then that camp is 100 per cent because it answers the purpose, and for that reason you must have good inspection. These men were really more intelligent men than were in the trades.

Mr. McCULLOCH. You do not mean that the usual force was on the job pushing the work?

Col. COUPER. Whenever the inspectors found lagging they would report it and we would get behind the work.

Mr. McCULLOCH. You would make the contract move along?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. But you just had no authority over the employees of the contractor?

Col. COUPER. Nobody had the right to discharge, if that is what you mean, but a word to the wise generally is sufficient.

Mr. McCULLOCH. Was it effective?

Col. COUPER. It was.

Mr. McCULLOCH. In all instances?

Col. COUPER. No; sometimes you had to discharge the man. We have discharged as high as 800 men in a week.

Mr. McCULLOCH. But you say you did not have authority to discharge?

Col. COUPER. We did not discharge; we reported it to the contractor, who would discharge.

Mr. McCULLOCH. Did you have any order, or was any order promulgated at your camp that they testified was promulgated at Camp Sherman and at Camp Grant, that no men were to be fired under any circumstances?

Col. COUPER. I never heard of that order.

Mr. McCULLOCH. That is what they testified.

Col. COUPER. I never heard of that.

Mr. McCULLOCH. In addition to what you said this force did, is there anything else you did to check it up?

Col. COUPER. They prepared plans on the ground. They had to make their own maps, the drawings, the record drawings, the progress drawings, and everything.

Mr. McCULLOCH. What plans of the buildings did you make on the ground?

Col. COUPER. No plans were made at Washington. The plans of the layout of the job, and afterwards the drawings, were used to adapt that to the ground, and this took a good deal of planning.

Mr. McCULLOCH. But units were all determined here, were they not; that is, the character of the buildings?

Col. COUPER. We had a typical unit in each case, so that it merely meant applying the plans that were already prepared to the particular site.

Mr. McCULLOCH. How long did you stay down there—until the camp was completed?

Col. COUPER. Yes, sir; I came away December 29, 1917.

Mr. McCULLOCH. Since that time what have you been doing. Colonel?

Col. COUPER. After leaving that job I had supervision over 10 contracts, in which boats were built for the use of the Army terminal. After that work was completed I went down to Columbia again to build an extension to Camp Jackson, known as North Camp Jackson, about 2 or 3 miles away from the original camp. They were going to enlarge it to accommodate 110,000 men, and use it as an artillery training station. It was to be an artillery training station. I stayed there until the armistice, when I came away, and since that time I have been up in Washington.

Mr. McCULLOCH. What, if anything, do you know about the building of the other camps in the country, at which you acted as constructing quartermaster?

Col. COUPER. Only what I know from having visited them since then.

Mr. McCULLOCH. Have you had occasion to examine the records in the department in regard to these other camps other than the one which you served at?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. What was the occasion?

Col. COUPER. I was assigned to furnish whatever you desire that you could not find; in that way help you.



Mr. McCULLOCH. You have also been assigned to accompany the committee?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. At various points during the hearings?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Has anybody else been so assigned?

Col. COUPER. Col. Wright performed this function before I had it.

Mr. McCULLOCH. In addition to the forces you have mentioned that the Government had on the job, the engineer force—you mentioned the auditor's force, did you not?

Col. COUPER. Yes, sir; at the peak they had about 150 men at the camp.

Mr. McCULLOCH. Would that same amount probably have been assigned to the other camps?

Col. COUPER. In my conversation with other men, it is my belief that it was approximately the same.

Mr. McCULLOCH. That is in addition to your 125 engineers?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Was it civilian, the auditor's force?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. In addition to the auditor's force and engineer force, what other sort of representatives did the Government have on the job, having to do with the construction?

Col. COUPER. There was an individual assigned to us from the Department of Agriculture who was an expert on clay roads. He was an old man; and as we did not build any clay-sand roads, there was no use for him. There was no other Government man besides this particular road engineer who was there.

Mr. McCULLOCH. Can you give the committee some idea of the pay roll of these civilian forces?

Col. COUPER. Yes, sir. The field engineer's force cost \$64,419.30.

Mr. McCULLOCH. Where?

Col. COUPER. Camp Jackson. In the same camp the field auditors cost \$87,840.90. I do not know how indicative that is of all camps.

Mr. McCULLOCH. I wish you would give, if you know, the rate of pay or the salaries paid to some of the field auditors, so that we can get a general idea of it.

Col. COUPER. I shall be glad to do so.

Mr. McCULLOCH. I am informed that you have given the committee figures showing the approximate cost of Camp Sherman; is that correct?

Col. COUPER. The figures I gave this morning are, I think, the figures that were furnished Capt. Wessen and are now in your record.

Mr. McCULLOCH. In those figures that you put into the record this morning, with regard to the cost of Camp Sherman, did you include the auditor's force and engineering force and constructing quartermaster's force?

Col. COUPER. The constructing quartermaster has no force, except the two that you mentioned. They are his force.

Mr. McCULLOCH. Does that include the overhead of the Emergency Constructing Committee and these other adjuncts of the Government, or other departments?

Col. COUPER. It does not.

Mr. McCULLOCH. Does that include the amount you put in this morning, the freight paid by the Government?

Col. COUPER. It does not include the majority of the freight. On other jobs there was a little freight that was paid at the camp.

Mr. McCULLOCH. But as I understand, most of the freight did not show on that.

Col. COUPER. That is correct.

Mr. McCULLOCH. Can you give us some idea of the proportion of it?

Col. COUPER. On two or three camps that I have examined, about \$26,000; that figure was in two camps; freight at two camps.

Mr. McCULLOCH. Do you figure that the figure you put into the record included the cost of the procurement and freighting facilities in the Washington division?

Col. COUPER. It does not include anything except the cost right on the job.

Mr. McCULLOCH. Colonel, can you give the committee, using the figures that you put into the record as a basis, any idea of the actual cost of Camp Sherman to the taxpayers?

Col. COUPER. No.

Mr. McCULLOCH. Does the same apply to other camps?

Col. COUPER. The same would apply to the other agencies, if you wish to include your overhead.

Mr. McCULLOCH. It is absolutely impossible to ascertain the cost of the camp?

Col. COUPER. It is in any department of the Government.

Mr. McCULLOCH. Any department might have to deal with the construction?

Col. COUPER. It is a fact. You could not include the Washington overhead, because all of them help to some extent.

Mr. McCULLOCH. Which would make it impossible to determine the cost to the taxpayers and the people of the construction of any camp?

Col. COUPER. That is correct, because there are so many departments which help you, and all of these costs we would have no knowledge of, and they all would enter into the proposition. I can not tell you to just what particular department of the War Department I belong to. I do not know the expense which comes from other bureaus which should be charged to these other camps.

Mr. McCULLOCH. So that there are many elements assisting directly and indirectly in the construction of these camps and in the carrying out of your checking system, etc., the source of which is not determined?

Col. COUPER. That is correct.

May I insert some of these salaries now?

Mr. McCULLOCH. Is this list of yours absolutely typical?

Col. COUPER. The list is typical, because the rates were laid down in Washington prior to the formation of the forces. It varies in detail in some places. The auditing forces at most of the camps were more or less the same.

*Employees of division auditor's forces at Camp Jackson, S. C., 1917.*

[Rates effective throughout original camp construction.]

	Per month.
Field auditor .....	\$350
Chief clerk .....	250
Chief voucher clerk .....	175
Assistant voucher clerk .....	160
Chief inspector .....	200
General inspector .....	175
Lumber inspectors .....	150-175
Chief recording clerk .....	175
Price clerks .....	125
Extension clerks .....	125
Tool clerk .....	150
Store clerk .....	150
Traffic clerk .....	150
Assistant traffic clerks .....	100
Claim clerks .....	100
File clerks .....	100-125
Messengers .....	50
Receiving clerks .....	100-125
Chief timekeeper .....	175
Timekeepers .....	100-125
Chief timechecker .....	175
Timecheckers .....	100-125
Stenographers .....	100-125

Maximum force in August, 1917, 243 men; pay roll, \$19,567.31.

Average force, 170 men.

Average pay roll, \$15,124.

Mr. McCULLOCH. It is not true with regard to the engineers?

Col. COUPER. Quite different.

Mr. McCULLOCH. You had no limited forces?

Col. COUPER. Our salaries were limited but our numbers were not.

Mr. McCULLOCH. Your salaries were fixed as to the total amount. You could expend only so much for your engineering force?

Col. COUPER. I will give you an idea of what our force was. We paid \$350 per month for our top man; the next man on the engineering force got \$250, and it ranged down from that.

Mr. McCULLOCH. Even then you had no limitation on the total amount. You had no limitation on the maximum salary that they would be paid?

Col. COUPER. There was no limitation on the total amount because the requirements were not known.

Mr. McCULLOCH. And that was entirely left up to you as constructing quartermaster, as you and the various others at the camps developed your own forces, such numbers as you determined upon were required.

Col. COUPER. That is true.

Mr. McCULLOCH. Who checked you up on that?

Col. COUPER. The auditor for the War Department.

Mr. McCULLOCH. Did he check you up as to the sufficiency of the force or was your authority unlimited as to the number employed?

Col. COUPER. I can not tell you who checked but we furnished that information to Washington, and I presume that there they checked it over.

Mr. McCULLOCH. Colonel, you have been asked to give the average number of carpenters on one of these camps, say from July 1

to the time of the first draft, about the 6th of September, and you have submitted a graphic table of Camp Taylor. What would the average be there for carpenters?

Col. COUPER. The average as shown by this table is about 2,400 carpenters a day.

Mr. McCULLOCH. Now, the peak at Camp Taylor was 10,000 men, of all classes, and shows about 4,300 carpenters. Can you tell us the peak now at Camp Sherman for carpenters?

Col. COUPER. I have not figured that. The peak of men at Camp Sherman was 11,083 men.

Mr. McCULLOCH. So that if the forces ran proportionately the force of carpenters would be increased proportionately?

Col. COUPER. Yes, sir; that is correct.

Mr. McCULLOCH. You gave the space or general outline of the camp in its comparison of Camp Grant with the city of Washington. The camp is superimposed upon the city of Washington. You do not mean that the space was entirely covered with buildings, do you?

Col. COUPER. The space is entirely covered with buildings, and it is almost within the limits of what I gave you. The map will show that as I have read it into the record.

Mr. McCULLOCH. In view of the fact that the map is going into the record, you gave the limits indicating that it was rather housed.

Col. COUPER. You can see that in this particular camp it is not in the typical U-shaped form, and therefore you have less waste space than in almost any camp I know of.

Mr. McCULLOCH. Do you know how many men there are down here at the depot that have charge of the disbursing of lumber and the resale of it.

Col. COUPER. Only one man that I know of in Washington, and that is me.

Mr. McCULLOCH. How many men are there in the Construction Division?

Col. COUPER. We sell no lumber, other than what little scrap we sell for scrap lumber on small jobs.

Mr. McCULLOCH. Out at Camp Grant there was a complaint raised as to why the sale of the lumber had to be made to the Phillips & Stevens Co. and that the sales had to be made only to that company. This is as I understood. I wish that you would tell the committee about that.

Col. COUPER. When I left North Camp Jackson, there was brought in, and was in a unit known as the material disposal unit. It was generally felt in the country that the War Department was in possession of several billion feet of lumber and the lumber industry was very uneasy that this stuff might be put on the market at a low price and knock them out. Mr. Humphreys, who was chairman of the building material of the War Industries Board, called a conference of all the Government agencies that had any materials whatever. There were representatives present of the Army, the Navy, the Housing Corporation, the Shipping Board, the Emergency Fleet Corporation, the supervising architects, and all of us. And also at that meeting were representatives of probably 15 building-material trades. We held several meetings and all of the testimony was taken verbatim. It was a matter of record. After which it was decided by all the industries that the Government had such a small

amount of stuff that they were not interested in the surplus held, with the single exception of the lumber industry. The lumber industry felt that they were interested and that if this lumber did not get back to the sources from which it had been obtained that it would cause a demoralization and the shutting down of lumber mills and probably bolshevism.

Mr. McCULLOCH. Probably bolshevism?

Col. COUPER. You will find if you will examine the minutes of the meeting that the talk all ran to that subject.

Mr. McCULLOCH. By that you mean by breaking the price you would make Bolshevists?

Col. COUPER. They meant that by throwing men out of jobs they would become dissatisfied, and there would be trouble.

Mr. McCULLOCH. Was their argument that to prevent bolshevism they would have to maintain prices?

Col. COUPER. That was it. To maintain the standard. The lumber industry could not function as a whole and they appointed a representative, Messrs. Phillips & Stevens, who were lumber handlers, to take over any surplus lumber that the Government would dispose of.

Mr. McCULLOCH. Were they members of the lumber association?

Col. COUPER. I think they both are. They certainly operate on stationery which indicates that they represent four or five of the larger associations. It was stipulated in the agreement which was formally entered into that any lumber which was sold or was rejected, where it was more than 1,000,000 feet of lumber, should be sold through these gentlemen, under certain specified conditions laid out in this contract.

Mr. McCULLOCH. What do you mean by contract?

Col. COUPER. There was an agreement of sale covering the points raised in these meetings for disposing of the lumber by which we agreed that the director of sales, who was the maker of the contract for the War Department, was to deliver to Phillips & Stevens any lumber which was sold or a rejection where it was more than 1,000,000 feet of lumber.

Mr. McCULLOCH. What consideration did the Government receive under that contract?

Col. COUPER. The Government got the largest price under the arrangement. The lumber was sold along with milled lumber, the ultimate buyer not being supposed to know where it came from, and the purchaser got 12 per cent off that price, and they paid us 88 per cent of the sales value.

The idea at the time was that lumber was going to go down on account of the great store on hand. That did not prove to be the case. We did not have a very large stock and lumber is going up. It goes up \$3 next week. I go that from Col. Walbridge. We withdrew all of our lumber except 5 projects from that, and later we released 3,000,000 feet.

Mr. McCULLOCH. You say that after this agreement was not entered into that the price of lumber would go down, is that right?

Col. COUPER. Yes, sir; because the trade felt that if there was any large supply sold that it ought not to be sold so that it would break

the market price, on the theory that it might be sold at some time and therefore the mills would be compelled to shut down.

Mr. McCULLOCH. As a matter of fact you say that lumber has gone up.

Col. COUPER. Yes, sir.

Mr. McCULLOCH. And it has increased how much?

Col. COUPER. I said next week. I was told by Col. Walbridge there would be a \$3 advance next week.

Mr. McCULLOCH. Is it not your opinion that in entering into this agreement, that the Government became a party with the big lumber trusts.

Col. COUPER. Before we had gotten very far into it, we withdrew from our contract, because we decided it was a better policy to hold our lumber.

Mr. McCULLOCH. But you entered into the agreement?

Col. COUPER. Yes, sir; the contract was made.

Mr. McCULLOCH. As I understand the testimony out there it was that the local people had endeavored to get this lumber?

Col. COUPER. The people at Rockford; yes, sir.

Mr. McCULLOCH. And they could not buy the lumber?

Col. COUPER. Yes, sir; that is correct.

Mr. McCULLOCH. They had come to Washington.

Col. COUPER. They bought it from Phillips & Stevens here.

Mr. McCULLOCH. They could not get it from Phillips & Stevens here?

Col. COUPER. That was between them.

Mr. McCULLOCH. A complaint was made that the people ought to have a chance to get that lumber, and that it could be used and worked up in that place.

Col. COUPER. That is the complaint.

Mr. McCULLOCH. And that is the complaint that you are explaining, why they could not get that lumber?

Col. COUPER. I do not know whether I made that clear.

Mr. McCULLOCH. The contract was entered into?

Col. COUPER. They could not get the lumber because there was more than 1,000,000 feet, and if it had been disposed of at all, it would have had to have been disposed of under contract.

Mr. McCULLOCH. Which prevented them from purchasing the lumber from the Government?

Col. COUPER. Yes, sir; that is correct.

Mr. McCULLOCH. Although they were ready and wanted to buy it there?

Col. COUPER. Yes, sir; they made every effort and failed to buy it. I have on my desk at this moment a large file of papers from Phillips and Stevens kicking like a steer because we have not delivered all that lumber to them, and in fact I do not think that we should, because we take the position that it is impossible to sell any Government material except at a low price, and the Government necessarily gets a low price for anything it sells. It means also that if we sell it now, we will likely go out in six months from now and buy it back at a higher price. We think that is unfair.

Mr. McCULLOCH. What do you say about the competitive feature? Take the Rockford situation. There was not any danger of this

lumber being dumped upon the market with the dangerous result, was there?

Col. COUPER. How do you mean?

Mr. McCULLOCH. There was not any danger. We know there were a number of men there who wanted to buy this lumber?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. There would have been competition in this?

Col. COUPER. Yes, sir; they wanted to buy some of that lumber.

Mr. McCULLOCH. So had this agreement not intervened, the price would have been fixed according to the demand?

Col. COUPER. Yes; the price would have been fixed according to the demand, but our price is fixed according to the demand. We sell at the market price.

Mr. McCULLOCH. I am talking about the local demands on that lumber.

Col. COUPER. Yes; we would have probably gotten a local demand.

Mr. McCULLOCH. There must have been local competition?

Col. COUPER. Probably.

Mr. McCULLOCH. So that the argument taken, that it was going to destroy somebody because of the lack of competition was absolutely unsound, as I understand you to say?

Col. COUPER. As it worked out, we did not think it was good, so we withdrew.

Mr. McCULLOCH. Colonel, I want to have you put into the record who were responsible for this agreement.

Col. COUPER. Mr. C. W. Hare, Director of Sales of the War Department, is the man who signed this agreement, and the agreement is signed with Mr. John Stevens and J. L. Phillips.

Mr. McCULLOCH. Now, Mr. Hare represented the Government and acted on what authority?

Col. COUPER. Under the authority of the Secretary of War; I am quite sure of that.

Mr. McCULLOCH. The Secretary of War approved the contract?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. The other parties to the contract represented the lumber associations?

Col. COUPER. Yes, sir.

Mr. McCULLOCH. Including an additional association, which is the Retail Lumbermen's Association?

Col. COUPER. But the Government had not any business with the retail.

Mr. McCULLOCH. They were in on this contract.

Col. COUPER. The exact words of Mr. Kerbaugh, the president of the other association, was that he would not only invite them to come in on the contract but take some responsibility.

Mr. McCULLOCH. So that the price was absolutely air tight, is that right? They had the retailer and they even had the Government mixed in it.

Col. COUPER. I do not agree that it was a trust.

Mr. McCULLOCH. I can not see what else it was.

Mr. McKENZIE. The statement of counsel for some of the contractors, and also the testimony of some of the witnesses who have testified before this committee, have endeavored to make it appear

that having fixed the maximum fee as \$250,000, whenever the projects cost more, they would produce that fee at a certain percentage figured according to the scale set up in the form of contract; that immediately the contractor became a philanthropist, and was doing his country a great service by performing the additional work of spending three or four million dollars more on the project. Now, if I understand the theory of this system, the contractor was paid a fee for his time and whatever equipment he might turn over to the Government, and after being once on the job and the Government would decide to enlarge the plant by the expenditure, for instance, of \$6,000,000 rather than of \$4,000,000, and inasmuch as the Government was paying for all of the labor, and paying for all the material, all the contractor had to do was to simply advertise for more men, order more material, increase his force and complete the work in the same length of time that he had been required to complete the original project. Is there any justification for any contractor or any representative of any contractor making the claim that he did a great deal more for his fee than was originally intended that he should do?

Col. COUPER. That is a long question. The essence of it, I would say, sir, is this: That if you promised that, he should not be considered a philanthropist. If he takes on a lot more work to do in the original time limit I do not think he should get any more fee; but when he does get his additional lot of work, and is not supposed to finish it in the original time limit, then for every minute he has to work over the prescribed time he is working at a loss, because his overhead back home goes on just the same. He is a philanthropist to that extent only.

Mr. McKENZIE. The testimony, or at least the interrogatories propounded by our good colleague, Mr. Doremus, have been that war was declared on the 6th of April, that the draft law was passed on the 16th of May, and that the contracts were let in June, and by the 5th of September these great projects were completed in so far as the contracts were concerned. That was the original contention.

Mr. DOREMUS. I never put that in my question—that the jobs were ready for the receipt of the first troops in September.

Mr. McKENZIE. It perhaps is not material.

Mr. DOREMUS. I think the colonel testified that it was some time in October before the last contracts were practically completed.

Mr. McKENZIE. As stated by the chairman of the committee on behalf of the whole committee, at Camp Sherman, and also at Camp Grant, that the various contractors who had contracts for those projects, the building contractors and the subcontractors had the privilege of appearing before the committee and testifying under oath or without being sworn, as he saw fit, or filing a statement to be printed in the record in behalf of such contractor; and furthermore that the time permitting them to do either of these things was extended, and they were given the liberty to appear in Washington after failing to testify when we were holding the investigations at these representative camps—that time was extended that they might appear when we took up the hearings in Washington, which we did about two weeks ago, and have testified or sent such statements that they desired.



I want to say that on behalf of Mr. A. Bentley & Sons, and on behalf of Mr. D. W. McGrath & Sons, that they have heretofore filed statements which have been printed in the record, and I now hold in my hand a letter from Col. Noble B. Judah, jr., counsel for the Bates & Rogers Construction Co., of Detroit, who had the contract for the construction of the main project at Camp Grant. The letter from Mr. Judah states that he incloses a statement which he has prepared on behalf of the contractors, and which he desires to have printed as a part of the hearing; and in his letter he also answers an interrogatory which I had submitted to the Bates & Rogers Co. relative to the overhead which they had at Camp Grant, and by overhead I mean the office force that they carried at that point.

If there is no objection, I will have this letter and this statement printed in the record.

(There being no objection, the letter and statement above referred to are here printed in the record in full, as follows:)

CHICAGO, January 14, 1920.

Congressman JOHN C. MCKENZIE.

*Chairman of Subcommittee No. 2 of the Select*

*Committee on Expenditures in the War Department,*

*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN MCKENZIE: I send you inclosed herewith a statement made by me as counsel for Bates & Rogers Construction Co., which the company requests that your subcommittee make part of the record in the matter of its investigation of the construction of Camp Grant at Rockford, Ill. I am also sending a copy to Congressman McCulloch and Congressman Doremus.

In answer to your letter of December 30, asking for the names, salaries, and capacities in which serving, of all persons habitually engaged in supervising the construction work in the field under Bates & Rogers Construction Co.'s contract for construction work at Camp Grant whose salaries were not paid by the Government, but were paid out of the fee received by the contractor, I have to say that Edward P. Lenihan, vice president of the company, was the only officer of the company habitually directing the construction work in the field. The salary paid to Mr. Lenihan during the period of the construction of Camp Grant was \$9,000 a year.

In addition to Mr. Lenihan in the field, Mr. E. Stanley Holland, also a vice president of the company, spent 50 per cent of his time in the field at Camp Grant, and Mr. Walter A. Rogers, the president of the company, spent 25 per cent of his time in the field at Camp Grant. Mr. Rogers devoted an additional 25 per cent of his time, Mr. Holland the balance of his time, and Mr. C. V. Burghart, the secretary of the company, devoted practically all of his time to the construction of Camp Grant from the company's office in Chicago. The salaries of these officers were not paid by the Government but were paid out of the contractors' fee, and during the period of construction of Camp Grant the salaries were as follows: Walter A. Rogers, \$12,500; E. Stanley Holland, \$9,000; C. V. Burghart, \$6,000.

If there is any further information you want from the company, will you kindly let me know. The company is still engaged in getting up the data asked for by Mr. Chantland as to foremen, superintendents, etc., and sources from which they were hired.

Yours, very truly,

NOBLE B. JUDAH, JR.

STATEMENT BY BATES & ROGERS CONSTRUCTION CO., THE CORPORATION WHICH CONSTRUCTED THE ORIGINAL CANTONMENT AT CAMP GRANT ROCKFORD, ILL.

Bates & Rogers Construction Co. was one of the 16 contracting companies selected by the emergency construction board to construct the original National Army cantonments, because of its national reputation as a railroad and Government work contractor. Bates & Rogers Construction Co. had for many years been doing Government work, such as building locks and dams on the Ohio River, and was well and favorably known to the Army engineers. It was known

also both in the United States and in Canada as a successful railroad contracting company. The emergency construction board selected this class of contractor for cantonment construction, as against city building contractors, in part because building contractors in cities are not experienced in securing labor from far away points, in housing on the job, feeding, and caring for large numbers of workmen, in gathering their material together from all parts of the country, and in completing all parts of the job themselves. Large city construction work is nearly always done through subcontractors, but the cantonments jobs were let on the express theory that all of the work would be done by the contractors' own organizations. That the contractors needed to have an organization for and experience in feeding and housing men on the job is shown by the fact that the site of Camp Grant, when the contract was undertaken, was a series of cultivated farms, distant several miles from the city of Rockford. In less than five days after Bates & Rogers Construction Co. took the construction contract, 600 men were housed and fed on the job, and within a month this number had increased to 5,700. Their proper care was no small undertaking in itself, entirely apart from the construction of the huge camp.

The present cantonment at Camp Grant was constructed by three contracting companies. The original camp, with all facilities to house 43,000 men and 5,000 horses, was built by Bates & Rogers Construction Co. at a cost of approximately \$8,500,000. Bates & Rogers Construction Co. began work in July, 1917. After the Bates & Rogers Construction Co.'s work was finished, a contracting company of Rockford, the Ross P. Beckstrom Co., did about \$300,000 of work at the camp. The Beckstrom Co. was followed by the Henry Ericsson Co., which did between three and four million dollars of work at the camp.

Subcommittee No. 2 of the Select Committee on Expenditures of the War Department of the House of Representatives met at the courthouse in Rockford, Ill., on Monday, November 10, 1919, to take testimony in regard to the construction of the camp. The subcommittee remained in session throughout the day on November 10 and 11 and adjourned at noon on Wednesday, November 12.

The president and two vice presidents of Bates & Rogers Construction Co. were present throughout the hearing and tendered to the subcommittee any information which it might wish of them or their company, and offered to testify as to any matter about which the subcommittee wished to question them. The committee in its investigation did not call any officer of Bates & Rogers Construction Co. to testify, nor did it ask them for any information as to the construction of the camp.

During the sessions at Rockford, 29 witnesses were called by the subcommittee to testify in regard to the construction work by Bates & Rogers Construction Co. Not one charge impugning the efficiency or honesty of the Bates & Rogers Construction Co. organization was made or substantiated by these witnesses, and the chairman of the subcommittee stated to counsel for Bates & Rogers Construction Co., after the hearing, that the testimony showed that Camp Grant was more quickly and more economically constructed than any of the Army cantonments about which he knew.

The witnesses who testified before the subcommittee were, in the main, disgruntled mechanics or laborers, who had been discharged or had had disagreements with their foremen, three Quartermaster Corps officers, and a Chicago building contractor who submitted an estimate of the cost of the work on a lump-sum basis, incidentally not including several items of some little magnitude.

Counsel for Bates & Rogers Construction Co. was not allowed to cross-examine any of these witnesses, as shown at page 1940 of the record. The company contends that cross-examination would very quickly have disclosed the animus or lack of exact knowledge as to the real facts of the case of everyone of them.

The witnesses who testified as to the work done by Bates & Rogers Construction Co. were: 1 regular quartermaster officer, 2 reserve quartermaster officers, 1 Government investigator, 1 building contractor, 1 civil engineer, 4 labor foremen, 1 walking delegate of the local carpenters' union, 8 union carpenters, 1 hoisting engineer, 1 checker, 1 steam fitter, 6 teamsters, 2 laborers.

For their expert opinion as to whether a complete city for 43,000 men, built in less than 150 days, had been constructed quickly, efficiently, and economically, the subcommittee called 30 witnesses, of whom 24 were day laborers. The subcommittee attempted to qualify as experts on construction work of the magnitude of Camp Grant these 24 men—none of whom had ever taken as

individual contract—none of whom had ever invested a dollar of money in any construction work, none of whom had ever done more than a journeyman's day labor, and their opinion, as experts, was asked for and apparently accepted as valuable by the subcommittee.

Bates & Rogers Construction Co. states that if the entire testimony of the witnesses is read by any person interested in the matter, he will find that there is no testimony of any witness anywhere in the record that will substantiate in the slightest degree any charge of waste or inefficiency against the Bates & Rogers Construction Co. during the five months of its construction work at Camp Grant.

Some of the witnesses stated that they think there was waste in the handling of the lumber. This waste, they say, consisted of carpenters using a whole length of board—sawing off the end when they might have used some of the short pieces of waste board lying on the ground. The answer to any suggestion of waste of short pieces of lumber is this:

Bates & Rogers Construction Co. constructed nearly 1,600 frame buildings at Camp Grant, the majority of which were two-story barracks, to house 250 men each, and the average time for the completion of a building was 45 minutes. Bates & Rogers Construction Co. in about three months' time erected in place at Camp Grant 48,500,000 board feet of lumber—enough to make a line of boards 12 inches wide and 1 inch thick 10,000 miles long—long enough to go through the center of the earth from the United States to China and extend 2,000 miles into space beyond.

Where one witness says there was waste in handling the lumber other witnesses say there was no waste. For example, the committee's witness, Speck, carpenter foreman, page 1951, says:

"Q. Did you regard the waste of materials, we'll say lumber, as unnecessary waste?—A. Well, I can't say. I can't speak anything from my own—"

"Q. You know I am only asking you from your own knowledge. I am not asking anything you don't know about.—A. The waste of lumber where I was was the poor lumber we cut out. There might be a stick here and there that got mislaid that a wagon run over or something like that, but we did not waste anything good, intentionally.

"Q. How about the cutting of material? Was it all cut as it ought to have been cut? No waste in cutting?—A. There was some waste to cut the knots out.

"Q. But you say that was all necessary waste?—A. Yes, sir.

"Q. And that the waste that occurred under you was necessary waste?—A. Necessary waste. What was not used we shipped it to the next building and used it on the first floor."

Nearly one-third of the witnesses produced by the subcommittee were union carpenters from Rockford. During the construction of Camp Grant, union and nonunion men were used indiscriminately. This was required by the Government, but the local carpenter's union at Rockford was not satisfied.

The testimony of the subcommittee's witness, Kewish, a union carpenter (p. 2035 of the records), is interesting on this point. His testimony reads in part as follows:

"Q. Are you a union man?—A. Yes, sir.

"Q. Were all the men in your gang union men?—A. They were after the first two weeks. The first two weeks they got organized, and after that they were all union men.

"Q. Were all those men in the other gangs that you say were loafing around in the latrine, were they union fellows, or were they?—A. I think that we had the only union gang in that vicinity there.

"Q. And your gang you say did a day's work?—A. We thought we did.

"Q. How about the other fellows?—A. Well, they might say that we didn't.

"Q. I am talking about what you say you observed as to what they did?—A. Why, I don't know. I wouldn't say that they didn't do a day's work. I thought they were getting along slow.

"Q. Were the men in your gang all carpenters?—A. Yes, we had five contractors in the gang.

"Q. Did you object to nonunion men working in your gang?—A. Well, I didn't, but we had a spotter on the job that kept right after them and made it so hot for them that they go away from there."

Consider the statement of the committee's witness, Lewis, a union carpenter, who testified that the nonunion carpenters were not doing a day's work. When asked whether he had been discharged he stated (p. 1939) :

"When the base hospital was established down there there was a bunch of young officers came and one of them was a personal friend of mine and he asked me to make him a small table for use in his quarters and out of a pile of scrap I picked up stuff enough to make it. It was a little table about 20 by 30 inches, and Mr. Weston, I believe he was the assistant field superintendent for the Bates & Rogers people, heard that I had made this table for this officer and he asked me about it and, of course, I admitted it and he gave me what is accepted popularly as a 'bawling out' for doing that work for that officer, rather than confine my work to what he or Capt. Michie would tell me to do \* \* \* and I thought about the matter and I picked up my kit and came to town and went to work for a contractor."

All of the union carpenter witnesses stated that in their opinions the non-union carpenters were not qualified mechanics, and yet it is noticeable that they speak of the men in their own gangs as being qualified. For instance, the committee's witness, Speek, a union carpenter foreman, said (p. 1950) :

"Q. How many men did you have in your gang?—A. Oh, I suppose sometimes as high as 90.

"Q. How many of them were qualified carpenters and how many of them were not qualified carpenters?—A. Well, mine was pretty nearly all qualified carpenters, because if they did not, they did not stay.

"Q. Will you tell us about that. You are an exception to the general rule.—A. If a man didn't fill the bill, I would discharge him. That was all.

"Q. You say you had 90 men in your gang?—A. Yes, as high as 90. Sometimes not 90.

"Q. You say they were all qualified carpenters?—A. Yes, the most of them. Sometimes we got some but didn't keep them.

"Q. What did you do with them?—A. Discharged them.

"Q. Did they go to work some place else then?—A. I don't know. I gave them a discharge slip and took their number from them and sent them to the office—the brass check.

"Q. You say nearly all of your men; I want to know what percentage of your men all the time of your gang were qualified carpenters?—A. Well, all the time—now, as soon as I got a chance to work them, they were all good men; but you take a bunch of men sent to you, you have to find out what you have got. I would say 90 per cent of them.

"Q. Ninety per cent of the men were qualified carpenters?—A. Yes, sir."

Again, as to testimony that many of the carpenters were not qualified, consider the testimony of the committee's witness Iler, a union carpenter (p. 2006) :

"Q. Was that the most you had on any gang while you were working for Bates & Rogers, eight men?—A. Yes, sir; it was.

"Q. How many of them were qualified carpenters?—A. All of us."

Some of the teamster witnesses testified that in their opinion there were too many teams on the job. Some of the laborers testified that they thought the job was not properly supervised, yet other witnesses of equal experience and veracity said that there were not too many teams—that there were not too many men—that there was no waste.

For example, the committee's witness, Sullivan, a laborer (p. 1961) :

"Q. What did you observe under the Bates & Rogers contract as to waste of material, if anything?—A. Well, there was not any waste where I was—I was not around all the time, you know. I was on a small area, from the coal grounds to the pole grounds, and there wasn't many men. We were installing poles over there for the wire. There was no loafing on the job I was on."

Again, Col. Burt's testimony (Regular Army quartermaster called by the committee) (p. 1862) :

"I can't say that I observed any glaring waste of materials."

The answer to the testimony in regard to the poor quality of the labor is the attitude of labor itself. The maximum number of men employed by the Bates & Rogers Construction Co., in any one day, was 8,700. The turnover of labor during the five months of work was more than 50,000 men. The contractors scoured the country to get labor, and had to use what labor they could get. All witnesses who were not themselves laborers testified that they could not

"drive the labor." If a man was hurried too much, he simply put on his coat and quit. As to this point, see Col. Burt's testimony (p. 1864):

"Q. Colonel, from your experience in handling men, had you been put on that job as quartermaster to construct that camp and get it completed, what is your opinion as to how quickly it could have been done in comparison with the time it took to do it?—A. Well, there are a great many things to be considered there. Building that camp or the expense at that time was one of the biggest things that ever occurred in the Army. There was no Army organization fit to jump in and start the job; they didn't have the equipment, and I don't believe the contractors had any idea of what a tremendous task it would be; but had the Army had equal facilities as the contractors, I think I could have completed that task in half the time with military men.

"Q. So, that if it took the contractors twice as long there must have been some cause for that?—A. Yes, sir.

"Q. And what do you think that cause was?—A. Labor."

Also Lieut. Pape's testimony (Reserve Corps quartermaster), at page 1873:

"Mr. MCKENZIE. What do you mean by 'driving,' Lieutenant? You mean you wanted them to do more than an ordinary day's work?

"Lieut. PAPE. The work I had to do—I was foreman of the men building pail racks; that is, a rack that will hold from two to five pails for fire buckets. I had one gang of men making those on a band saw and I had about 30 laborers putting them in the building. I had several of my sergeants working in this labor gang, and when they would try to install a certain number of racks the men would get tired and want to loaf, and when we would try to keep them on the job they would quit."

Several of the laborer witnesses testified that there was not proper supervision by the contractor. If several Army sergeants over 30 laborers could not make the gang work, as testified by Lieut. Pape, is it astonishing that all of the 8,700 men working under Bates & Rogers Construction Co. could not be "driven"?

Maj. Kalb (a Reserve Corps quartermaster called by the committee) testified to the same thing (p. 1851):

"Q. What would you say about the laborers on the job—were they doing a day's work, or did they idle?

"Maj. KALB. As far as the carpenters and common laborers were concerned, I believe I would consider it a fairly good day's work.

"Q. Yet you did make complaint to Mr. Brau (a unit foreman) about that?

"Maj. KALB. Only about the plumbing.

"Q. Didn't he tell you if he pushed them they would quit and let down on the job entirely?

"Maj. KALB. Yes, sir; he certainly told me that.

"Q. Did he refer to the plumbers?

"Maj. KALB. Mostly to the plumbers."

Again on page 1853:

"Q. Major, if you had had the carpenters working under your supervision and you had been able to select your men, and it had been your intention to do the work in a prompt and efficient manner, how much quicker could you have done it than it was done on that job?

"Maj. KALB. Well, this is a question that is hard to answer.

"Q. Your opinion only.

"Maj. KALB. My opinion, if it was under military management, and you could have hired people who were working under military control, we could have accomplished much more; even though I was allowed to go out and hire help myself, with the laborers they were able to get, I don't believe I could have done it any faster; I am employing 125 laborers now, and under slightest provocation, if you force them, they simply turn in their time and walk off; in order to keep the establishment running you have to put up with inferior laborers.

"Q. Major, are there any other facts or situations that you might bring to the attention of the committee that would throw some light upon the situation down there?

"Maj. KALB. I can only make one statement of what I saw while I was there. When I first went to the camp everything I saw was farms, it was just a farming land. Onto this land numerous teams were driven, and when it didn't rain for some days the dust was so thick that oftentimes we couldn't see, and when it did rain the mud was so deep and so thick that it was practically impossible to travel around, and down at my place, the remount station, the

same thing prevailed there, and when they put up a city such as that, with a capacity of about 40,000 to 50,000 men, there was neither a road nor a sewer nor a walk nor a thing in it, and in this place they put up buildings of sufficient capacity to accommodate 40,000 to 50,000 soldiers. When I landed there there was only one single track from the standpoint of getting this material in there. I saw immense boilers and small things, everything stored together for the simple reason there was no place to store them, and I can realize now better than before what a tremendous job it was, and, notwithstanding all that, I think it was remarkable how quickly, after all, and how expeditiously, it was done. When I look at the thing from a liberal standpoint I realize how rapidly it was really done. There was only about one-third of the buildings there when I went there, and they had to build roads and everything that would assist them, and it was a tremendous handicap."

Again, as to the attitude of the labor, consider the testimony of the committee's witness Thiel, a union carpenter, at page 1987:

"Q. Was there a good deal of idleness on that job?—A. There was lots of it because of the fact that the men didn't know what to do, some of them, and the others wouldn't work. I know one man told me he didn't come to work. He said at Fort Harrison they didn't work Sundays; they went down in a field, and he said they weren't going to work at Camp Grant either. Whenever the foreman would come around he would move, and he wouldn't work when he wasn't there watching him.

"Q. Was the foreman on the job right along?—A. The foreman would walk upstairs, and as soon as his back was turned and he wasn't watching them they would stand still; they would make a move to be going somewhere, but they didn't do anything."

On this same point the committee's witness Maxwell, a teamster, testified (p. 2037):

"Q. Would you have had a man on the job if he had worked as those men did; would you have kept him on the job?—A. If you couldn't get anybody else you would have to hire them.

"Q. Do you think that was the situation there?—A. It looked that way."

To the same effect is the statement of the committee's witness Durham, a labor foreman (p. 1905):

"Q. Did you attempt to get the work out of your men?—A. Yes, sir.

"Q. What did you do?—A. Why, I would tell them we had better pick up on this thing a little bit, we were not getting anything done around here; going too slow.

"Q. What did they say to you?—A. The fellows would say, 'To hell with you; you are afraid of your job; you never was on the works before; you don't know how to handle this sort of work.'"

Col. Burt's story about an electrician being discharged by his foreman for doing his work too quickly is, of course, entirely hearsay. Col. Burt was not able to give the electrician's name nor the foreman's name. All he knew was what the workman told him. The workman might just as well have been dismissed for inefficiency and have lied to Col. Burt. What he told Col. Burt is not proof or even an indication of what the true facts were.

Certain of the witnesses said in their opinion the contractor had too many men working on the job. As against one witness who says this there are other witnesses who say the number of workmen was about right. For instance, the committee's witness Whitmore, a labor superintendent, stated as follows (p. 1836):

"Under Bates & Rogers what men I had working, the men were just about right.

"Q. By that you mean right in number or right in qualifications or right in what?—A. Right in number and good men to work, well fed and taken care of; men willing to do a good day's work.

"Q. They did a good day's work?—A. Yes, sir.

"Q. So far as you observed there was no loafing on the job with Bates & Rogers?—A. Not in my line.

"Q. You never saw that?—A. I never saw that."

Again the committee's witness Yde, who was a foreman on road work, testified on page 1981:

"Q. What about the men being idle? Were there too many men on the job or too few?—A. No; I didn't have men enough?"

Also as to the number of men on the job, consider the testimony of the committee's witness Hare, a union carpenter (p. 2010):

"Q. What would you say as to whether or not there were more men on the job than there should have been?—A. Well, I don't know. They were all carpenters and I think we could use them, but I never was on any job but what there was the right number of men on it."

Some of the witnesses, including a quartermaster officer and two workmen who had never done a job of contracting in their lives, testified that if they had been in charge of the work they could have done it in half the time. During the months of July and August more than 50 carloads of building material a day were unloaded and put in position. If these witnesses could have done the work in half the time, they would have had to unload and use more than 100 carloads a day of such material. With 10,000 miles of lumber erected in four months by Bates & Rogers, these confident witnesses would have had to saw and nail in place 10,000 miles of lumber in two months. If the average time for the construction of a two-story building to house 250 men was 45 minutes under the Bates & Rogers Construction Co., these cheerful witnesses would have had to build up an organization able to erect the same building in an average time of 22 minutes. The fallacy of a statement that the camp could have been constructed in half the time is obvious to anyone who will read the details of the construction of the camp, which follow later in this statement, and the statement is too absurd for argument.

An interesting commentary on the mental attitude of the workmen whom the committee tried to qualify as experts on large contracting work, and whose opinion the committee sought as to whether Camp Grant was efficiently constructed or not, is seen in the testimony of the committee's witness, Yde, a labor foreman on road work, at page 1983 of the record:

"Q. What do you say as to whether or not the work on that job (Camp Grant) was conducted as work on a private contract would be conducted as to the handling of men, the supervision and handling of material and teams?—A. A private contract would be handled different.

"Q. Will you tell us just how it would be handled differently so that we can get the distinction?—A. There would be only one man supervising it, and also he would have the authority. He would send the men home if it rained, and the next morning he would call them back, but you couldn't do that at a place like Camp Grant.

"Q. What was the situation at Camp Grant?—A. They would try to work the best they could. If it was muddy and you couldn't work, under a private contract they wouldn't work.

"But at Camp Grant they got in their time, is that it?—A. Yes, sir. We done the best we could under the conditions."

It did not seem to enter the witness's mind that if the country were at war and the Government needed barracks in which to house its soldiers, it might be well for the teams to work whether it rained or did not rain. Also the witness seemed to think that if the work were being done under a private contract there would be "only one man supervising it," irrespective as to how many miles the work was spread over and how many thousands of men were working.

As to the inexact testimony of the workmen whose opinion as experts the committee asked for, consider the statement of the committee's witness, Liggett, a teamster, at page 2002 of the record:

"Q. What did you observe under Bates & Rogers's contract as to too many men on the job?—A. Well, I saw 50 men on one mess hall; at least they said it was 50 men. It was on the north side of Service Street, on the last addition they built. They said there was 50 men. I was putting in stoves and ice boxes at that time and hauling them.

"Q. You heard there were 50 men on that job and you did observe them on that job?—A. Yes; I didn't stop to count them, but I was told there were 50.

"Q. Did you observe as to whether they were able to do efficient work with that many men on the job?—A. I can not, of course, because I am not a carpenter.

"Q. Did they seem to be in one another's way or did there seem to be too few?—A. Well, they were pretty well crowded.

"Q. What is your judgment about it?—A. My judgment is that if I was a contractor, I would not have had that many men on the job for an economical contract."

Mr. Liggett's judgment would seem to be based on very inaccurate observation and a good deal of hearsay. Nevertheless, the committee appeared to

accept as valuable the opinion of this teamster (whose biggest job had been to drive one team) on the question as to whether the contractors, who were employing 8,700 men a day and working on an \$8,500,000 job, were employing too many carpenters.

In connection with the statements of certain witnesses like Teamster Liggett that they thought at times too many men would be working on a building, consider that Bates & Rogers' average time for building 1,600 buildings at Camp Grant was 45 minutes per building. Also the statements of certain witnesses that too many men were working on the roofs are indefinite and, on analysis, do not hold water. For instance, the committee's witness, Lyddon, a union carpenter's helper, said, page 1999:

"Q. What would you say as to the number of carpenters that were employed?—A. There were far too many. As high as from 20 to 25 men on the side of a roof where there should have been either 8 or 10 men who could have handled it easy. They were so close that there was hardly 3 feet of space between each man."

Lyddon says that this building was one of the regulation big barracks. These barracks were 140 feet by 43 feet in size. The side of the roof would, therefore, contain more than 3,000 square feet. Twenty-five men on a space 3,000 square feet in size would give each man 120 square feet to work in or a space 10 by 12 feet. Yet in expert Lyddon's opinion this was too crowded.

Certain of the teamsters testified that they hired out to a man named Lordan, and received less than the Government rate for teamsters' pay. During the early days of the construction, it was necessary for the contractor to get teams wherever it could. A day or two before work was started on the camp site, a local teaming contractor of Rockford, named Lordan, offered to hire out teams to the company. It paid Lordan the Government rate, and it was not concerned with the question as to whether the teams it hired from him were his own teams or not. The teamsters who testified they worked for Lordan also testified that when they got tired working for him they went and hired out direct to the Bates & Rogers Construction Co. at the Government rate.

Some of the workmen stated that they thought the job need not be hurried because the contractor was getting a commission on every dollar that the work cost. The true facts are that Bates & Rogers Construction Co. took the first contract for the construction of Camp Grant, involving an expenditure of more than \$4,000,000, at a fixed maximum fee of \$250,000. When this work was finished, Bates & Rogers Construction Co., at the request of the Government, and without any additional fee, kept its organization at Camp Grant and did \$4,500,000 worth of additional work. This additional work was caused by the Government enlarging the camp and adding many additional features, as, for example, the steam heating plant, which cost \$1,250,000.

The absurdity of the charge that the cost of the camp was run up to add to the contractor's fee is evident when it is stated that the maximum fee on the first contract had been earned when \$4,166,667 had been expended, and that Bates & Rogers Construction Co. received not one penny as a fee on its \$4,500,000 of additional work. Nevertheless, throughout the time when this additional work was being done, its overhead expenses continued, and its organization was engaged in doing unproductive work.

The fee of the Bates & Rogers Construction Co. for work done at Camp Grant was \$260,283.86. The total cost to the Government of the work done under the Bates & Rogers Construction Co. contract was \$8,641,282.16. Bates & Rogers Construction Co.'s fee on this cost is 3.01 per cent.

The contract contemplated that the Government would finance the work, but for several weeks at a time the contractor was forced to do the financing. There were times when the contractor had more than \$500,000 of its own money expended for pay roll at the camp. This money was borrowed from banks on the credit of the contractor and the contractor paid the interest. No reimbursement was made by the Government for this interest paid. When the contractor started work the Government plans for the camp were not completed. The sewer system and the water system were installed and completed before the plans for the same had been returned approved from Washington.

Under the contract with the Government the contractor bought no materials. The Government directed what materials were to be bought, and where, and what prices were to be paid therefor. The Government also fixed the wage scale which the contractor paid. All the time of the men working on the job was taken by Government timekeepers, and Government timekeepers made up



the pay roll. In addition, all checkers of materials were Government checkers, not in the employ of the contractor. This fact that the Government bought all materials is to be remembered in connection with the criticism of the lumber by some of the union carpenter witnesses. The contractor had no voice in choosing or buying the lumber.

The one witness called by the committee who had had experience in the contracting business was Mr. J. P. O'Connor, of Evanston, Ill. Mr. O'Connor's entire experience, according to his testimony, had been in the building of buildings in cities. Mr. O'Connor testified that he could have done the entire construction of Camp Grant for a little more than \$8,000,000. Counsel for the contractor was not allowed to cross-examine Mr. O'Connor. It came out in his testimony that he had based his estimates of the cost of construction on a seven weeks' survey of the completed camp by himself and his assistants. It took Mr. O'Connor and his assistants seven weeks to make the survey of the completed camp to figure his costs. In a like period of seven weeks Bates & Rogers Construction Co. had built a camp for 20,000 men, and in eight weeks more they had enlarged the camp to accommodate 43,000 men and 5,000 horses. It also came out in Mr. O'Connor's testimony that in spite of his survey, he had not included the cost of constructing the largest rifle range at any of the cantonments. He had not included the costs of this rifle range at Camp Grant in his estimate, although into the construction of it had gone 350,000 feet of lumber, and 9,000 cubic yards of excavation. It also came out in his testimony that he had not included the 1,000-foot bridge across the Rock River, nor the various bridges over the railroads. If counsel for the contractor had been allowed to cross-examine Mr. O'Connor, it is contended that it would have speedily developed that there were many other large items of expense which he had not included in his estimate, such as the 60 miles of underground pipe and conduit work, the cost of enlarging all the barracks for the 250-man company after they had been fully equipped for the 200-man company, the cost of sinking the artesian wells which furnished the water to the camp, and so on. If to Mr. O'Connor's estimate for the cost of the camp had been added the items which he did not include, the sumtotal, the contractor submits, would have exceeded the sum total cost of the camp.

And, in connection with the testimony of Mr. O'Connor, the committee's witness as to the sum for which he would have built Camp Grant, it is to be noticed that he figured in a 5 per cent fee for himself on the work, while the fee paid by the Government to Bates & Rogers was not 5 per cent but 3.01 per cent.

The complete answer to any criticism of the construction of Camp Grant to the effect that there was waste of materials, that there were too many men employed, or that the workmen did not all do a day's work is the physical accomplishment in less than 150 days of the tremendous task done under emergency conditions in time of war when every minute counted. Bates & Rogers Construction Co. was told by the Emergency Construction Board that the winning of the World War depended on the time when trained American soldiers could be sent to France, that this time depended on the moment when the drafted men could be brought to the cantonments for training, that every day gained in completing the cantonments to receive troops was a day gained toward winning the war. It was under these conditions that the camp was built. It was for this purpose that Bates & Rogers Construction Co. used every effort of its officers and organization to drive the work. Of course the workmen were worked overtime; of course they were worked on Sundays. Every single day and every single hour counted. The country was at war. The insinuation that the men were worked overtime, or that they were told to work slowly, so as to spread out the cost of the job is absurd in the light of the fact that the fixed maximum fee of Bates & Rogers Construction Co. had been earned when \$4,000,000 worth of work on the camp had been done, and that the company, at the request of the Government, patriotically and to its own monetary loss, did four and a half million dollars additional work without any additional pay.

Let any man who suggests waste or inefficiency on the part of Bates & Rogers Construction Co. in the building of Camp Grant read and consider the following facts in regard to the extent of the task and the work that was done:

The construction of Camp Grant was awarded to the Bates & Rogers Construction Co. on June 22, 1917, and orders looking to the mobilization of its organization and equipment were issued by the company on the same day.

The first members of the organization reached Rockford on June 22 and immediately made an inspection of the camp site and formulated preliminary plans for starting work. It was at once apparent that the two most pressing needs were the establishment of temporary housing and feeding quarters for the construction force and the construction of track facilities for the receiving and unloading of freight. As a result of this preliminary inspection the temporary construction camp site was decided upon, materials were ordered, and arrangements made for drilling wells for water supply for this temporary. A study was also made of the freight yard and track requirements, and the Chicago, Burlington & Quincy Railway was notified of the approximate number of switches and miles of trackage that would be needed.

The first of the temporary camp materials were delivered at the site on Sunday, June 24, and work was started Monday, June 25. The first of the track materials also arrived on the 24th, and work was started and the track laid out at once.

The first vital necessity was the provision for housing and feeding facilities for the large number of men who would soon be required, and who could not be accommodated in Rockford or in the temporary camp. It was decided the best plan would be to rush construction on a number of permanent barracks, and utilize these as quarters for the construction force. Accordingly, certain barracks were chosen for this purpose, and they were completed and occupied as quickly as possible.

The work was in charge of a vice president of the company, who devoted his entire time to it. It was divided into departments, according to the character of the work, and each department was in charge of a superintendent, except in the building department where there were a number of unit superintendents, as all building work was divided into units of an Infantry regiment or its equivalent. In addition to the above there was an engineering department and a clerical and accounting department.

All the building trades were represented in the force employed at Camp Grant. The maximum daily working force numbered 8,700 men, which consisted of 8,000 men of the various trades, and 700 superintendents, engineers, draughtsmen, foremen, camp, and commissary men, all divided as follows:

Superintendents, etc.....	700
Carpenters.....	3,800
Laborers and miscellaneous trades.....	3,000
Plumbers.....	350
Electricians.....	450
Steam fitters.....	400
	<hr/>
	8,700
Teams.....	350

From the start of the work up to July 20, the average force was 2,000 men of the various trades, with a daily maximum for the period of 4,000 men.

From July 20 to August 25, the force was built up to its maximum daily strength of 8,700, while the average for the entire latter half of August was 7,500 men.

During September and October, the daily average force was about 8,000 men, and during the remainder of the work in November, a daily average of 2,000 men were employed.

All of the work under the original \$4,000,000 contract was done entirely by Bates & Rogers Construction Co.'s organization. Under the additional \$450,000 of work, one contract was let, that for the steam heating, and the rest of the work was done by the Bates & Rogers Co. organization.

The camp site is 7 miles from Rockford, and the first work done was the building of a temporary 600-man camp to provide housing and feeding arrangements for the first crew required to start the work. This temporary camp was built complete in itself, with water and sewer system, and consisted of frame kitchens, mess houses, storehouses, office, etc., and tent-sleeping quarters. This camp was occupied two days after it was started.

The force occupying this camp immediately started work on the barracks which were to be used as permanent quarters for the construction force which would be required. Twelve two-story barrack buildings were erected for this purpose, and these were occupied as soon as finished. The first floors of these buildings were mess halls, capable of feeding 367 men each at a sitting. The second floors were the sleeping quarters. The men were provided with blan-

kets with which they were charged, and for which they received credit when returned. The securing of the necessary number of blankets for the great number of men that were employed denuded the stores of Chicago and the neighboring cities completely of their stocks. The highest number of men housed in this camp at one time was 5,400. The men who did not stay in camp boarded in Rockford, and traveled back and forth on special work trains. Large amounts of supplies were necessary for the operation of this work camp, and these were purchased in carload lots in Chicago, with some miscellaneous supplies bought locally. At the height of the work, 8 tons of fresh meat were used daily, and on Friday 3 tons of fish were consumed.

The camp commissary crew totaled 350 men. The organization consisted of a steward, assistant steward, three mess stewards, and the necessary janitors. At each camp unit there was a cook, second cook, and baker, together with the necessary dishwashers and waiters. This commissary organization was on the job and working three days after the Bates & Rogers Construction Co. was awarded the contract.

When the contract was let, the work contemplated comprised a city of approximately 1,200 buildings, together with the necessary water, sewer, and lighting systems, and the time stipulated for completion was September 1, when the new National Army was expected to begin coming in. On September 1, when the first increment of the draft, numbering 13,000 men, was expected to arrive, the camp was ready to receive it.

As the work progressed, additions and extensions were made by the Government, and a number of the buildings, including all the barracks (and these had already been completed), were remodeled to take care of changes in the number of the various Army organizations.

The original program called for the expenditure of approximately \$4,000,000, and it was this amount of work Bates & Rogers Construction Co. agreed to do by its original contract. The enlarged program of the Government, which was a later development, included, in addition to the new buildings, extra water, sewer, lighting facilities, additional road construction, and installation of a steam-heating system, and more than doubled the original size of the contract. More than \$4,500,000 was spent by the Government on this additional work, and, although the contract was not sought by it, Bates & Rogers Construction Co., at the request of the Government, did this additional work without any additional fee and at a considerable money loss to itself.

The cantonment completed by Bates & Rogers Construction Co. consists of about 1,600 buildings of all kinds, including offices, officers' quarters, barracks, lavatories, stables, sheds, garages, 60 buildings in the hospital group, heating plant, refrigerating plant, bakery, laundry, gas house for instruction in gas and flame defense, remount depot, the largest rifle range at any of the National Army cantonments, and bridges across the Rock River and the railroads.

The entire cantonment was completed and turned over to the Government authorities on November 30, 1917. However, by September 1 the volume of work accomplished was considerably in excess of the amount of the original contract. That part of the cantonment desired by the Government as quarters for the first increment of the National Army was ready for occupancy.

During the height of the work, which was in July and August, approximately 500,000 feet of lumber was used daily. This would make a string of boards about a hundred miles long put in place every day. The average time from start to finish of the cantonment for the building construction work was 45 minutes per building. The principal quantities of material used in the exterior construction of the buildings were as follows:

Lumber.....	board feet.....	48, 500, 000
Building papers.....	square feet.....	14, 300, 000
Wall board.....	do.....	3, 300, 000
Nails.....	pounds.....	1, 360, 000
Foundation poles.....	linear feet.....	187, 000
Cement.....	barrels.....	21, 000
Sash.....	.....	85, 000
Doors.....	.....	13, 000

The water supply at Camp Grant is obtained from six drilled wells. These wells average 175 feet deep and provide an average supply of 2,700 gallons per minute. The water is pumped from the wells into individual receiving tanks at each well, from which it flows by gravity into a concrete reservoir of 300,000

gallons capacity. From this reservoir the water is pumped into a 250,000-gallon steel tank 140 feet high, which is located in the center of the cantonment and about 1 mile from the pumping station. From this tank the water is distributed by gravity throughout the camp.

Water mains, consisting of wood-stave pipe and cast-iron pipe are laid in trenches 5½ feet deep. There are 12 miles of machine-cut trenches for the water mains and 10 miles for the water-service pipes.

Trenching and pipe laying for the water-distribution system was one of the most rapid pieces of work accomplished in connection with the entire cantonment. Wood-stave pipe from the east had originally been specified and reserved by the Government. Deliveries on this pipe under Government control were made and when it was finally received it was rejected by the Government officer in charge. This necessitated the manufacture and shipment of other pipe. It was decided to use wood-stave pipe from the northwest, together with cast-iron pipe. The first of this pipe arrived August 14 and on September 1 the first increment of the new National Army was expected. It was imperative that the water be provided before its coming. Accordingly work was rushed to the greatest possible extent, with the result that on August 25, nine days later, the 12-inch main from the pumping station to the steel tank 1 mile away had been completed and put in service. On August 31 water was put into the entire south portion of the camp, which involved 6 miles of main and 5 miles of service pipe in addition to the previously mentioned main from the water works to the steel tank. On September 20 the entire water system, as contemplated in the original contract was finished, and in the meantime work was being pushed on the additions to the original scheme, with the result that all water system work was finished on November 1.

The power house, containing the pumping equipment, was located alongside the reservoir. The pumps and compressors were set on their concrete foundations before the power house was built. The house was then built and the necessary electrical and pumping fixtures were installed.

In addition to the wells for the permanent water supply three wells were drilled to provide immediate water supply at the inception of the work for the construction forces and for fire protection. These wells averaged 130 feet deep and were put down with 6-inch casing provided with strainers and gasoline pumps. The principal quantities of material entering into the water supply and distribution system were the following:

Well casing, 10 inches to 12 inches.....	linear feet.....	2,000
Harris pumps.....		6
Air compressors.....		3
Reservoir tanks.....		1
Centrifugal pumps, 5 to 8 inches.....		4
Electric motors, 75 to 100 horsepower.....		6
Reservoir, 16 feet deep, 59 feet in diameter, 4,000 cubic yards of concrete.		
Gasoline engine, 80 horsepower.....		1
Power house, 45 feet by 90 feet.		
Wood-stave pipe, 6 to 12 inches.....	miles.....	10½
Cast-iron pipe, 4 to 14 inches.....	do.....	6½
Galvanized water service pipe.....	do.....	20
Cast-iron fittings.....	tons.....	250
Fire hydrants.....		262
Water-pipe trenches.....	miles.....	12

The sewage system was one of the big problems of the camp. The sewers are all of vitrified sewer pipe, laid in trenches and varying from 3 feet to 15 feet deep, according to the topography of the ground. Trenches were cut wherever possible by trenching machines, and where this was not feasible they were cut by hand. The sewer pipe was distributed along the way by team and auto truck, as was the water pipe, and each trench-cutting machine was followed by a pipe-laying crew. The back filling of the trenches, both for the water and sewer lines, was done by back-filling machines, by teams, and by hand. The sewer trenching was started July 10 and completed November 14. However, 90 per cent of the sewer system contemplated in the original contract was completed August 20.

There were 18 miles of machine-cut trenches in the sewer and drainage system, and the following are the principal materials entering into the construction of the system:

Sewer pipe, 4-inch to 24-inch-----	miles--	20
Brick for manholes, etc-----		280,000
Cresosoted lumber for manhole covers-----	board feet--	50,000

Of the 1,600 buildings constructed, 980 were provided with plumbing. These included the lavatories, kitchens of barracks and officers' quarters, regimental hospitals, base hospitals, garages, bakery, etc. The plumbing work is all open except in the case of the hospital buildings. In the base hospital the work is all concealed and is the same as in any other modern hospital.

The principal materials entering into the plumbing system of the camp are as follows:

Galvanized iron pipe-----	miles--	30
Soil pipe-----	do-----	12
Water closets-----		4 100
Urinals-----		925
Lavatories-----		1, 870
Showers-----		3, 250
Hot-water tanks and heaters-----		140
Water heaters-----		250

The electrical work consisted of the construction of the power circuits, lighting circuits, and inside and outside lighting systems. Electric power is used to operate the pumps and compressors at the water pumping station for power at the refrigerator plant and for other minor purposes, as well as for the lighting systems. In addition to all the permanent work a considerable amount of temporary wiring and lighting work was necessary, especially during the early stages of the construction work. This consisted of the installation of twenty-two 500-watt X-ray flood projectors and a large number of temporary street and barracks lights throughout the camp.

Between July 16 and September 16, 1917, the date of the coming of the first increment of 13,000 men of the National Army, 660 buildings were completely wired and lighted. The principal materials entering into the electrical work were as follows:

Transformers-----		128
Series street lights-----		270
Poles, 30 to 35 feet-----		1, 200
Incandescent lamps-----		35, 000
Copper wire, figured on the basis of all being reduced to No. 14 size-----	miles--	1, 540

or nearly twice the distance from Chicago to New York.

Of the 1,600 buildings in the camp, 1,300 are heated. Of the 1,300 heated buildings, 650 are heated with steam and 650 are heated with stoves. The steam heating is done from 15 plants distributed around the camp. Nine of these plants have four 150 horse-power boilers each, one plant has eight boilers, four plants have three each, while the hospital heating plant is provided with ten 150 horse-power boilers. The boilers are set in pairs and each is provided with its own stack.

Steam is transmitted from the boiler houses to the various buildings by insulated steel pipe lines, carried on telegraph poles about 18 feet above the ground. The various rooms and buildings are heated by standard steam radiators, of which there are about 8,000 in the camp.

The concrete work for the boiler foundations and boiler houses was handled by an advance crew so that when the boilers reached their sites they were immediately cribbed up to position on the concrete foundation and bricked in. The buildings for housing the boiler plants were erected after the boilers had been set in place.

It was originally intended by the Government to use stove heat throughout the camp. Later the Government changed its plans and work on the steam-heating system was started on August 21. The first of the 15 plants was put in service on September 21 and the last on November 15.

Although the Government decided to use steam heat instead of stoves, it was decided nevertheless to adhere to the original plan for stove heat in those buildings not readily accessible to steam. There were 1,300 stoves required for these buildings and these were obtained by the Government from various sources and were of a number of different sizes and types. Each kind of these

stoves required a different size of stove pipe, smoke jacks, floor plates, deflection plates, etc. The erection of the stoves and sheet metal was handled by a special crew organized for the purpose, and it proved to be very troublesome work, owing to the number of sizes of stoves, stove pipe, smoke jacks, etc.

The largest boiler house, aside from the one at the base hospital, has seven three and one-half-ton trusses in the roof. These trusses were taken from the ground, set in place and bolted in 2 hours and 27 minutes, an average of 21 minutes to the truss, the last one being set in place in exactly 9 minutes. This is an example of the gait at which the entire cantonment was constructed by Bates & Rogers Construction Co.

The principal materials entering into the heating system were:

Radiators -----	8, 000
Stoves -----	1, 300
Cast iron boilers, small heating plants -----	44
Boilers, 150-horsepower -----	62
Poles to support the steam lines -----	1, 500
Brick -----	1, 000, 000
Insulated pipe covering ----- miles -----	20
Steam pipe, all sizes ----- do -----	100

Road construction was handled by the Bates & Rogers Construction Co., as an addition to the original contract, and involved the construction of four types of road, i. e., macadam, gravel, cinder, and earth, totaling 22 miles. The road-work was started July 22 and completed November 24. The equipment used in this road construction was five 10-ton gasoline rollers, 8 gasoline tractors, and 6 road graders, together with a large number of wheelers, slips, dump wagons, sweepers, and sprinkling carts. In addition there were two 2-yard revolving steam shovels used for digging and loading gravel from pits, which were opened on the camp reservation for the purpose of obtaining gravel for concrete and road work. There were also two derricks, centrally located on an unloading spur. Each derrick was equipped with a clam shell. They were used for unloading crushed stone, all of which came to the camp over the railroads. The principal materials entering into the road work were as follows:

Cinders ----- cubic yards -----	4, 000
Gravel ----- do -----	6, 000
Crushed stone ----- do -----	23, 000
Total road constructed:	
Macadam road ----- miles -----	7
Gravel road ----- do -----	5
Cinder road ----- do -----	2
Earth road ----- do -----	8

A variable rifle range up to 1,000 yards, including a 30-yard range for moving targets for machine guns, large enough to accommodate 1,000 men, was built about 3 miles from the main part of the camp. This range was not included in the original contract and is the largest range located at any of the National Army cantonments.

The construction of the range involved the use of 350,000 feet board measure of lumber and 9,000 cubic yards of excavation. The ground was leveled and the watercourses changed. After the firing and target trenches were dug, the timber trench lining was built in place, targets set up, and back filling packed outside of the timber lining.

This work was started on October 10, 1917. Practice firing was started November 1, and the entire range finished and turned over on November 10.

At the south end of the camp a pile bridge was built across the Rock River, affording another route and entrance to the camp from Rockford. This is a four-pile bent bridge 1,000 feet long, of 63 bents in two sections, with an island between.

If the ground occupied by the cantonment at Camp Grant were located in the city of Washington and an interested observer desired to walk around the boundaries of the original camp built by Bates & Rogers Construction Co., he would start at the Library of Congress and would proceed in a general south-westerly direction to the Seventh Street wharves; thence he would walk in a northerly direction to the Museum of Natural History; thence westward to the Potomac River at a point near the Lincoln Memorial; thence northward to the

Connecticut Avenue Bridge (near the Wardman Park Hotel); thence southeastward to Sixth and G Streets NE.; and thence back to the starting point at the Library of Congress.

If this extent of space be taken into consideration and it is realized that on June 24, 1917, the camp site was all cultivated land or pasture, without roads or railroads, and that in less than 150 days a complete city, with buildings, paved streets, water supply, steam heat, electric light, and sewage system big enough to accommodate 43,000 men and 5,000 horses, was there constructed, a partial idea is gained of what Bates & Rogers Construction Co. accomplished at Camp Grant.

The result of the company's work speaks for itself and is a complete answer to any question that can be raised as to the efficiency, speed, and economy shown in the carrying out of this tremendous task.

The officers of Bates & Rogers Construction Co. are at the disposal of the committee at any time the committee wishes information from them as to the construction of the camp.

BATES & ROGERS CONSTRUCTION CO.,  
By NOBLE B. JUDAH, Jr., *Its Counsel.*

CHICAGO, January 2, 1920.

MR. CHANTLAND. I wish at this point to offer in evidence a letter sent out on December 30, 1919, to D. W. McGrath & Sons, Columbus, Ohio, which letter is identical to a number which were sent out to various firms. I now ask to have it printed in the record, together with answers from McGrath & Sons, general contractors, Columbus, Ohio, and answer from the Henry Ericsson Co., general contractors, Chicago, and a letter from the A. Bentley & Sons Co., building construction, Toledo, Ohio.

(The letters above referred to are here printed in full in the record, as follows:)

ROOM 178, HOUSE OFFICE BUILDING,  
December 30, 1919.

D. W. McGRATH & SONS,  
*New First National Bank Building, Columbus, Ohio.*

GENTLEMEN: Will you kindly furnish for the use of subcommittee No. 2 of the Select Committee on Expenditures in the War Department the following information:

1. The names and capacities in which serving of all persons connected with your concern that were habitually engaged in directing or supervising the construction work in the field under your contract for construction work at Camp Sherman, whose salaries were not paid by the United States Government, but were paid out of the fee accruing to your concern by reason of such construction under the contract.

2. The salaries paid by your concern to each of such persons per month or per annum during the period covered by the construction.

Very respectfully,

JOHN C. MCKENZIE,  
*Chairman Subcommittee No. 2.*

HON. JOHN C. MCKENZIE,  
*Chairman Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department,  
Room 178, House Office Building, Washington, D. C.*

DEAR SIR: Replying to your letter of the 30th ultimo requesting certain information in regard to our work at Camp Sherman, would advise that if you will refer to our letter of December 5, addressed to Wm. T. Chantland, counsel, you will find the information you desire.

We had no superintendent in the field that was not paid by the United States Government until September 3, 1918, when Mr. Frank McGrath acted as representative of the firm in the field and received a salary of \$500 a month, which was paid out of the fee accruing to our firm. We also paid out of our fee \$250 per month of the salary paid to the general superintendent, Albert Carr.

As stated in the letter above referred to, Messrs. D. W. McGrath and E. H. McGrath and other members of the organization, spent considerable of their time in looking after Government work at Chillicothe, but were not field superintendents.

Yours, very truly,

D. W. McGRATH & SONS.  
By E. H. McGRATH.

HENRY ERICSSON Co.,  
Chicago, January 7, 1920.

HON. JOHN C. MCKENZIE,  
*Chairman Subcommittee No. 2,  
Select Committee on Expenditures in the War Department,  
Room 178, House Office Building, Washington, D. C.*

DEAR SIR: Replying to your inquiry of the 30th ultimo, we are pleased to give you the information requested, to wit:

*Paragraph 1.* Names and capacities of persons connected with our concern, etc.: Henry Ericsson, president; Walter H. Ericsson, treasurer and general manager of construction work at Camp Grant.

*Paragraph 2.* Salaries paid, etc.: Henry Ericsson, \$1,000 per month; Walter H. Ericsson, \$833 per month.

Trusting that this is the information desired, we remain,

Very respectfully, yours,

HENRY ERICSSON, Co.,  
By HENRY ERICSSON,  
*President.*

THE A. BENTLEY & SONS Co.,  
Toledo, Ohio, January 10, 1920.

Answering your letter of December 30, 1919.

Mr. WM. T. CHANTLAND,  
*Counsel for Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department,  
Room No. 178, House Office Building, Washington, D. C.*

DEAR SIR: The following persons connected with this company were engaged at Camp Sherman, Chillicothe, Ohio, during the construction of the camp at that point, and their salaries were paid entirely by this company:

James Bentley, vice president and general manager, salary \$25,000 per year.

L. S. Hillebrand, secretary and treasurer, salary \$10,000 per year.

In addition to the above we desire to mention Mr. C. H. Hollingsworth, who was general superintendent on this work. He was paid a salary of \$50 per day by the Government, but in addition thereto he was paid by us as extra compensation an amount equal to \$100 per day.

Yours, truly,

THE A. BENTLEY & SONS Co.,  
JAS. BENTLEY,  
*Vice President.*

Mr. CHANTLAND. I also desire to offer in evidence a letter received from George A. Trude, Chicago, counsel for the Henry Ericsson Co., contractors at Camp Grant, which is as follows:

(The letter above referred to is here printed in full in the record as follows:)

CHICAGO, January 2, 1920.

HON. JOHN C. MCKENZIE,  
*House of Representatives, Washington, D. C.*

DEAR CONGRESSMAN: I do not find in the record anything which, in my judgment, reflects upon the operations of the Henry Ericsson Co. at Camp Grant.

There are many instances in which explanations can be made, and other instances where evidence can be contradicted. The nature of these, however, are not of sufficient importance with which to encumber the record.

Thanking the committee for the many courtesies extended, I remain.

Very truly, yours,

GEORGE A. TRUDE.



Mr. CHANTLAND. I also desire to offer in evidence an extract from table 6, actual prices of lumber, by months, quarters, and years, 1916-1918, from "Prices of lumber, by R. C. Bryant, Industrial Examiner, Forest Service, War Industries Board, Price Bulletin No. 43":

*Douglas fir.*

	No. 1 common, 8-1-8, 1 by 8" and 10".	No. 2 and better, drop siding, 1/8.
Market.....	Washington, f. o. b., mills..	Washington, f. o. b., mills.
Unit.....	M feet.....	M feet.....
Base price.....	\$7.9167.....	\$15.1667.....
Year 1917.....	\$15.8750.....	\$23.9167.....
Quarter:		
First.....	\$11.8333.....	\$19.6667.....
Second.....	\$16.0000.....	\$23.6667.....

Mr. CHANTLAND. I also desire to offer in evidence price bulletin No. 5 on fir, which is as follows:

*Fir, common boards SIS or shiplap, f. o. b. mill prices in effect between December 1, 1917, and May 31, 1918.*

1 by 2, 6/20' mixed lengths SIS.....	\$18.00
1 by 3, 6/20' mixed lengths SIS.....	18.00
1 by 4, 6/20' mixed lengths SIS.....	16.00
1 by 6, 6/20' mixed lengths SIS or S. L.....	16.50
1 by 8, 6/20' mixed lengths SIS or S. L.....	17.50
1 by 10, 6/20' mixed lengths SIS or S. L.....	17.50
1 by 12, 6/20' mixed lengths SIS or S. L.....	18.00

For selected common add \$3. For D. & M. add \$1.50. For grooved roofing add \$3. Orders for 16, 18, and 20 foot only add \$2. Other orders for specified lengths add \$1 to above prices. No. 2 common boards and shiplap \$3 less when in stock.

	Fir, common dimension—		SISE 16 feet.	9 to 10, 18 to 20 feet.	22 and 24 feet.	26 to 32 feet.
	6 feet.	8 to 12 to 14 feet.				
2 by 2, 2 by 4.....	\$15.50	\$16.50	\$17.50	\$18.50	\$19.50	\$21.50
2 by 6, 2 by 8.....	15.50	16.00	17.00	17.50	18.50	20.00
2 by 10.....	16.00	17.00	17.50	18.00	19.00	21.00
2 by 12.....	16.50	17.50	18.00	18.50	19.50	21.50
2 by 14.....		19.00	19.00	20.00	21.00	23.00
2 by 16.....		20.00	20.00	21.00	22.00	24.00
2 by 18.....		22.00	22.00	23.00	24.00	26.00
2 by 20.....		24.00	24.00	25.00	26.00	28.00

Add 50 cents for every 2 feet over 32 feet long up to 40 feet.

For select common, add \$3. SIE or rough same mill base as dressed. For 2 by 4, 2 by 6, or 2 by 8 D. & M. or shiplap, add SISE, \$1.50. Hemlock permitted in 2 by 4 and 2 by 6.

Mr. MCKENZIE. At this point I desire to have printed in the record, as a part of these proceedings, extended extracts from the "Final report Emergency Construction Committee, by Col. W. A. Starrett, chairman, dated December 31, 1918."

(The extracts referred to above are here printed in full in the record, as follows:)

EXTRACTS FROM FINAL REPORT EMERGENCY CONSTRUCTION COMMITTEE.

WASHINGTON, December 31, 1918.

From: Col. W. A. Starrett, chairman Committee on Emergency Construction.

To: War Industries Board.

Subject: Report of activities.

1. Reports on the activities of this committee were filed with the Council of National Defense and appeared in the First and Second Annual Reports of the Council, issued June 30, 1917, and June 30, 1918, respectively. (Copies of these two reports are hereto attached, marked "Exhibit A" and "Exhibit B.") However, in submitting a final report it seems advisable to make the record more general and to dwell upon incidents connected with the inception of the work which do not appear in either of the other reports herein referred to. Therefore a general review, rather than a categorical report, is here given.

2. The committee was first called together on April 28, 1917, and consisted of: C. W. Lundoff, of the firm of Crowell-Lundoff-Little, Cleveland; M. C. Tuttle, general manager of the Aberthaw Construction Co., Boston; and W. A. Starrett, then a member of the firm of Starrett & Van Vleck, architects, New York.

The idea of forming such a committee arose with Mr. Tuttle and the calling together of the committee was the result of several visits made by him to Mr. F. A. Scott, then chairman of the General Munitions Board, who had been called to Washington by the Secretary of War for the purpose of bringing together the war service bodies then forming under the Council of National Defense. Mr. Tuttle pointed out that the Government would have a vast building program not only in connection with the cantonments that would surely have to be built to house whatever Army would be called, but also for all sorts of war material manufacturing. It seems appropriate that this record should contain an acknowledgement of the service rendered by Mr. Tuttle and the breadth of vision which he exhibited not only in presenting the original idea but in his untiring labors as a member of the committee.

3. It has always been one of the difficulties of the engineering and construction profession to present its highly technical subject to the lay mind, however keen that mind may be. The processes of building and construction work seem so obvious and the prodigious accomplishments have become so much a matter of course that the average person gives little heed to the intricacies involved and, while it is recognized that vast sums of money can be made or lost through the quality of management exhibited in the conduct of these works, the failure on the part of the layman to understand the difficulties and supply proper remedies has always been one of the burdens that the construction engineer has had to carry in his plea for scientific supervision.

4. After much labor Mr. Tuttle succeeded in getting the General Munitions Board to address itself to this most important problem. Construction work was a necessary precedent to all war activities. Nevertheless it was being entirely overlooked in the rush to get under way manufacturing projects which would create the materials of war. Hence, an enormous building program literally screamed for attention and yet without Mr. Tuttle's persistent effort there is no doubt that it would have been largely overlooked: At least its organization on a comprehensive scale would have been delayed to the certain detriment of the whole war preparation program.

5. Mr. Lundoff was appointed the chairman of the committee and served in that capacity for the first week or two. A most cursory study of the problem and the possible requirements of the Government indicated that the work would be nation-wide in its scope and practically coextensive with the war. Therefore after the submission of its first report, on May 9, 1917, copy of which is hereto attached marked "Exhibit C." the committee was reorganized and, while Mr. Lundoff continued to serve, the chairmanship was taken over by Mr. W. A. Starrett. The reason for this was that the report of May 9 indicated that one of the duties of the committee would be to deal with the contracting industry. Both Mr. Lundoff and Mr. Tuttle were themselves builders, whereas Mr. Starrett was an architect and engineer by profession and therefore he might be considered to occupy a more disinterested position. This change was entirely a concession to policy for throughout their service on the

Emergency Construction Committee both Mr. Tuttle and Mr. Lundoff served with entire disinterestedness. Both of them withdrew their concerns from consideration by the Emergency Construction Committee for any work which might come under their purview, which meant practically all of the Government's building program.

6. After the submission of the report of May 9, which was duly accepted by the General Munitions Board, the committee proceeded on the information of three coordinate factors that would go to make up the conduct of the Government's building program. They were as follows:

(a) The formation of a contract which would allow for the immediate starting of such construction projects as would be decided upon by the Government, before plans and specifications could be completed and while only the merest outline of the scope of the work could be ascertained. The law provides that all Government structures shall be built upon completed plans and specifications, and that contracts shall be let only after due advertising for bids and the receipt and public opening of such bids; provision also being made for the award of such contracts to the lowest bidder. The law, however, makes the exception that in case of war emergency the Secretary of War may declare that structures under contemplation are war emergencies and under this declaration he can proceed with their construction without taking bids. Hence the term, emergency construction program, and the name, emergency construction committee.

(b) The extent of the program demanded an administrative organization built up on modern lines to get quick results in the conduct of a vast building program. It had been decided by the Secretary of War that war activities in so far as possible would be carried on by the existing machinery of the Army. Hence the administrative machinery had to be along the lines of Army organization. The Construction and Repair Division of the Quartermaster Corps, which through years of operation under the old field service regulations had been charged with all construction work excepting work in the theater of operations (which was a function of the Corps of Engineers), was the best foundation upon which to construct this new administrative organization. At the outbreak of the war it consisted of a colonel and two captains with a small staff of stenographers and draftsmen. The organization was hopelessly inadequate for any considerable building program. However, the lines of authority had been well established, and the traditional contact with the United States Treasury, the Comptroller's office, the Judge Advocate General, and various bureaus of the Army created a substantial foundation upon which the vast enlargement could be made.

(c) If the work were to be undertaken without delay—as emergency work—a survey of the contracting industry was necessary. This would enable the Government to choose from all of the contractors of the country those best equipped to handle the vast, emergent projects that would be constantly arising. The theory of this survey would be to get for the Government contractors of known and tried ability who had been used to conducting large and important enterprises and whose going organizations were ready and equipped to perform with the least possible delay the construction work. The accidental nature of the projects that were sure to arise indicated that there would have to be in the Government a live, going survey, refreshed with information obtained almost continuously showing just what the concerns were doing, as well as keeping before the Government going information as to the amount of work on hand, the changes in personnel, and the disposition of their plants and equipment.

7. In the matter of formation of the contract much counsel was taken. A sort of general committee formed of the various bureaus concerned, and at that time including representatives of the Navy and the Shipping Board, met almost daily for the purpose of considering the terms of the contract. The Navy's representatives were various—Admiral Rousseau, Admiral Capps, Mr. C. D. Thurber (now lieutenant commander), and on one or two occasions other high officials of the Navy Department. Mr. L. W. Call (now Col. Call) represented the Judge Advocate General, and all meetings were attended by the representatives of the legal department of the General Munitions Board.

Mr. W. C. Saeger and Mr. Louis Wehle both took an active interest, and Mr. R. J. Bulkley, head of the Legal Section, was also very attentive to the deliberations. Not only was the advice of the people above referred to obtained, but leading men in the contracting industry were asked to come to Washing-

ton to give their views and assist in the development of the contract. About 200 contracting concerns were interviewed during the month of May and much valuable data was gathered as to the cost of doing business. It is here pertinent to record that on the business of about the first 300 concerns in the United States the average cost of doing business was about 3 per cent on their total annual volume. (Some few ran as low as 1½ per cent, and others ran as high as 6 per cent.) Leading architects and engineers were also consulted, as were the officers of contracting associations. It will, therefore, be seen that the form of contract which was finally submitted to the War Industries Board for approval was the result of much labor and deliberation. The form of contract is again referred to in paragraph 26. It should be here recorded that when the deliberations were about finished and the contract was near its final draft, the Emergency Construction Committee was surprised to receive word from the Navy Department that it did not acquiesce in the recommendation about to be made. Admiral Harris, then in charge of the Bureau of Yards and Docks, sent a note to Mr. Scott stating that he regarded the proposed contract as inadequate, but since his representatives had contributed much to the deliberations and, further, since he made no suggestion as to where the loopholes occurred, his comment could not be regarded as constructive criticism. On or about June 1, 1917, the General Munitions Board accepted the final draft of the form of contract as prepared by the Emergency Construction Committee and recommended its use to the Construction Division (then the Cantonment Division) of the Army.

It has been observed by the Emergency Construction Committee that the Navy has had various policies in the conduct of its building program. Much of its work was let on the so-called lump-sum basis, but much of it was let on the basis of cost plus 10 per cent, and while many reports indicate that the Navy has conducted its work only on a lump-sum basis, there is ample information in the files of the Emergency Construction Committee to indicate that the vast amount it let on cost plus 10 per cent would have warranted the Navy in joining hands with the Army in putting into effect a uniform policy of construction. Its failure to do so has cost the Navy vast sums of money, and the proof of this lies in the fact that the very contractors who were receiving these very favorable 10 per cent contracts were at the same time soliciting, and in some cases receiving work from the Construction Division of the Army on the standard emergency form of contract formulated by the General Munitions Board.

8. The organization of the Construction Division out of the old Construction and Repair Department of the Quartermaster Corps was a most difficult and trying task. The old precedents of the War Department kept rising up to defeat modern methods and, while nearly all of the officials of the War Department strove diligently to compensate these drawbacks, there were many insuperable traditional forms which were fundamental with the structure upon which the new organization had to be built, and the new scheme of organization had to take them into account.

For example, old rulings as to the accountability for property and money which still obtained through the comptroller's department kept rising up to complicate the organization of the accountancy end of the work. So persistent was this difficulty found by the General Munitions Board, not only in the construction work but in all matters with which the board was then dealing, that an accountancy committee was formed in the board that was supposed to unify and simplify the cumbersome system found to be in vogue. Just about the time the accountancy committee got under way this organization of the Construction Division was in flux, and, unfortunately for the building program, the point of view of these accountants was allowed too much to prevail. The thing to be done became subordinated to the matter of recording it. It was as though the conduct of a game were turned over to the score keepers rather than to the players in order that the score should always look neat and symmetrical. The havoc created by these accountants was responsible for the loss of millions of dollars to the Government because of the cumbersome methods which they imposed, in spite of all protests. The situation, indeed, became so bad that along in July, 1917, when the cantonments were getting in full swing, the perversion of original intent by these accountants had become so marked that they actually had it framed up to supersede the contracting officer, Col. I. W. Littell, then in charge of the Construction Division, and make the accountancy officers solely responsible for the construction work.

The foregoing is brought in not so much in the way of criticizing these people as to record the original difficulties and to give a clue to some of the forces which contributed toward the early apparent disorganization of the Construction Division. It is true that many of the officers of the Construction Division had been called from the best engineering and constructional agencies of the United States. These men had gladly laid down important and lucrative positions to take charge of the construction work, and therefore the point must be emphasized as to the usurpation of their functions and authorities by these accountants, who viewed the operation purely from the point of view of determining the accuracy of the arithmetic and linking up the lines of authority, which they seemed to regard of superior importance to the actual thing to be done.

9. One who has followed with care the history of the Construction Division in the conduct of the vast building enterprise which it has gone through with will look back with some surprise over the ground that has been covered, seeing on the one hand the marvelous accomplishments in the way of engineering, but failing, perhaps, to understand the subcurrent of distress that the responsible men were undergoing by reason of the difficulties above referred to. The lesson to be drawn, if occasion ever arises for the Government again to undertake a vast emergency program, is that the construction work should be turned over to construction people, of experience in the normal practices of the construction industry, and the matter of accounting should in all cases be subordinated to the prime consideration of getting the structure through on time and economically. Good engineering practices have no quarrel with proper accountability.

10. The report of May 9 of the emergency construction committee, on which its subsequent activities were largely based, suggested that a survey of the industry should be made, and accordingly the General Munitions Board instructed the emergency construction committee to proceed with such a survey. No one man or group of men could possibly know all of the competent contracting concerns of the country and accordingly it was decided to address the people of the country who had been dealing with the contracting industry, asking for confidential opinions as to who were the best equipped constructors. Accordingly, a questionnaire (copy of which is hereto attached, marked "Exhibit D") was sent to the members of all of the chapters of the American Institute of Architects. It is proper here to record the valuable service that the institute rendered in this as in other matters upon which it was addressed by this committee. In this work of sending the questionnaires they gave the heartiest support and their principal officials put themselves at the disposal of the Emergency construction committee for the completion of the survey. About 2,000 copies of the questionnaire here referred to were sent out. Nearly 2,000 replies were received, which gave valuable information on about 1,100 construction concerns. The questionnaires were similarly sent to the chief engineers of all of the leading railroads of the country, the constructional departments of the large industrial concerns, such as the General Electric, Armour & Co., National Biscuit, etc. These also rendered valuable assistance, with the result that by about June 1 the committee was in possession of the names of about 1,800 contracting concerns throughout the country. These were catalogued and cross-referenced, both geographically and alphabetically, and the present files of the emergency construction committee are based on this original system of inquiry. Since then the files have, of course, been widely supplemented, both by personal observation of the committee members and by information otherwise gathered in the committee's constant efforts to keep the files up to date and alive.

11. Having received the names of these contracting concerns, a second questionnaire was prepared (copy of which is hereto attached, marked "Exhibit E"). These questionnaires were sent to the concerns whose names had been received through the agency of the original survey, and were designed to get from these concerns their own statements as to their standing, ability, etc. It will be noted that this questionnaire asks for references, and when such references were given, letters of query were addressed to those referred to, and many replies were received. The files would thus contain confidential comment from architects and engineers of experience, the statement of the contractors themselves as to their own organizations and abilities, and supplementary statements from people to whom they may have referred in presenting their names for consideration. In other words, the files contain what other people said about the contractor as well as what he said about himself.

The upkeep of these files has been one of the principal activities of the emergency construction committee. It has maintained an office force for this work and the members of the committee have been charged with maintaining and supplementing the files. It has been a matter of policy to answer all correspondence promptly, to receive courteously all applicants who cared to appear personally before the committee, to give them proper and intelligent attention, and to receive from them for the files such additional information as would augment the general fund of information, to the end that when a contract came up for which any contractor might be peculiarly fitted, all of his qualifications would be before us so that quick determination as to which concern seemed best fitted to do the work could be made.

12. The policy pursued in the recommendation of contractors was under the purview of the Secretary of War, for in the early days of the activities of the Emergency Construction Committee the Secretary of War took a very definite interest in its work and was familiar with the details of the committee's activities. On at least one occasion he attended a meeting of the committee when the first estimates for the building of the cantonments were under consideration and throughout the conduct of the Government's building program he has been especially familiar with the work. The policy adopted seemed to have met with favor in the War Department.

It, of course, became generally known throughout the industry just what the activities of the committee were to be, and contractors commenced flocking to Washington to lay their claims for consideration before the Government. Many of these found their way to Congressmen and Senators, who, in turn, would introduce them to members of the committee. Many would come with personal letters to the Secretary of War and other members of the Cabinet and, in fact, many applicants introduced to the President direct were referred to the committee for guidance and information.

It was the endeavor of the committee members and the officer staff to treat all applicants alike. Fulllest possible information would be given out. Recognition was always given to the personal introduction from whatever quarter, with the result that the Emergency Construction Committee organization has felt throughout the conduct of the building program that it had the sympathy and support of the contracting industry; albeit many were called, but few were chosen.

Categorical references to the activities of this committee are made in other reports herein referred to, but, as those reports indicate, it would simply be impossible to record all the things that happened in the vastly diverse building programs that came under its purview.

13. While the matter of maintaining the War Industries Board's survey of the contracting industry was the most conspicuous of its duties, nevertheless the conduct of the work itself was a matter of great concern. Reference above to the difficulties of the establishment of the construction division indicates a period of anxiety which can not be said to have culminated until the termination of the war. The Construction Division, while composed of the very best men who could be obtained, was nevertheless a large, green, and new organization. Much time was given by committee members in attending the meetings of the Construction Division throughout the period of the building of the cantonments and, in fact, throughout the conduct of the war program. Advice and counsel on all sorts of subjects were sought and given. Many delicate situations arose where the Emergency Construction Committee interceded in behalf of the Construction Division. The files of the committee through the period from September to December, 1917, are replete with reference to interferences from other branches of the Government. Although the form of contract proposed by the Emergency Construction Committee had been generally accepted by the Army there were many sporadic attempts to digress from it, and some were carried out much to the detriment of the Government's interest.

At the beginning of the war the Signal Corps had a separate building organization and undertook many constructional projects incidental to the Signal Corps' program. The Signal Corps used the emergency form of contract, but toward the end of its activities it commenced to tinker with this contract a good deal, much to the detriment of the results accomplished.

14. The early activities of the emergency construction committee and the Construction Division are so interwoven that it is almost impossible to separate them. The original committee referred to in the first paragraphs of this communication was shortly after its formation augmented by the addition of Maj. William Kelly, Corps of Engineers (now a brigadier general serving in

France), and commencing about June 1, 1917, Frederick Law Olmsted. Thus the committee consisted of Maj. W. A. Starrett, chairman, M. C. Tuttle, C. W. Lundoff, Frederick Law Olmsted, and Maj. William Kelly. In the latter part of June, 1917, C. W. Lundoff resigned, and the committee carried along over a considerable time with the four remaining members.

On or about August 15, 1917, the Secretary of War, in response to certain criticisms that was gaining currency that organized labor was not being represented, requested that consideration be given to organized labor in the deliberations as to the recommendation of contractors.

A letter was written by the Secretary of War to the chairman of the committee, copy of which is hereto attached, marked "Exhibit F," in which it was specifically requested that organized labor be considered. At that time the question was not a particularly pressing one, because the building industry for years prior to the war had been almost solidly union. Particularly was this true of the large concerns whose names would be most likely to come up for consideration. However, there was an undercurrent of distrust on the part of union labor, due to the fact that contractors who had followed railroad building exclusively were getting some of this construction work, and these were not in the habit of employing union labor. In the original 16 cantonments there were 4 concerns thus classified by union labor and were opposed by the unions on that account. Moreover, the labor question being of such vital importance throughout the whole war preparation program, it seemed entirely proper that a representative of union labor should be a member of the committee. The matter was laid before the War Industries Board shortly after Mr. Hugh Frayne had joined that body, and the emergency construction committee went on record squarely in favor of having a labor member.

Accordingly, Mr. John Donlin, the representative of the building trades in the American Federation of Labor, was appointed and has served as a member of the committee since his appointment. Mr. Donlin has served most invaluable. His point of view was frankly that of organized labor. Nevertheless he at all times put the country's interest above what he considered labor's interest when the two came in conflict. Throughout his work he has shown a fine perception of the difficult problems involved and has given diligently of his effort in the service of the Government. It will be difficult for those not fully familiar with the taxing problems that constantly arose to appreciate how splendidly Mr. Donlin lent his effort toward seeing that the construction program should be completed with the least possible delay and in the best interest of the Government.

15. Mr. Olmsted laid down his business and removed to Washington that he might give his undivided time to the work of the construction program. He was indefatigable in his service in planning the cantonments and his great knowledge as a city planner, together with his fine attainments in the general knowledge of great constructional enterprises, made him invaluable in every stage of the work. Among his many activities he organized throughout the country the city planners and had them as reserve boards of consultation. Notice was sent to the department commanders, who were charged with locating the sites of the cantonments, that these boards would wait upon them and render gratuitous service in advising as to the possibilities of the sites under consideration. Many of the department commanders availed themselves of this service with the result that, while every site may not have been ideal, nevertheless the department commanders had the benefit of expert opinion on such sites as they did select, and in more than one instance the choice of an inferior site was avoided by reason of these organizations that Mr. Olmsted had so ably organized.

16. As the cantonments were under design other questions arose. Water supply, sewage disposal, fire prevention, sanitation, and hygiene became factors. Mr. Olmsted marshaled the engineering talent of the country in the solution of these questions. Among many who gave their services was Mr. Leonard Metcalf, the eminent waterwork and public-utilities specialist, of Boston, Mass., He also laid down his private work and came to Washington to live through the hot summer of 1917. Night after night there men worked in the new offices of the construction division, then grown to such size that it occupied the entire building at 1333 F Street. George W. Fuller, the well-known expert on sewage disposal and surface drainage left his important business in New York to give his services, working continuously here in Washington with these other men, under stress of weather and long hours, that the work on the cantonments might not be delayed a single hour.

In those early months of service the activities of the committee were such that the sessions were almost continuous. Meetings would be called early in the morning and run right through until late at night, with only short intermissions. Sometimes the meetings would constitute anywhere from 12 to 20 persons; the experts of the country who were glad of an opportunity to give their services, all interested in the great fundamental questions of organization, planning, specifying, and policy formation.

17. It was here that Mr. Tuttle's genius served so splendidly. It was due to his clear vision that many of the fundamental solutions were made, and even at this time anyone reading over the records of that time of the committee is continuously reminded of the clear thinking of Mr. Tuttle as to the causes at work and probable results that would ensue. This late reading indicates his almost prophetic vision in his estimate of the constructional problems then confronting the country. It is not too much to say that the splendid organizational ability of Mr. Tuttle, and the logical and analytical quality of Mr. Olmstead's mind, gave the Emergency Construction Committee any success it may have ultimately attained.

18. In the latter part of July, 1917, Maj. Kelly was ordered into service in France, and although there is no formal reference to his retirement from the Emergency Construction Committee (the recent records of the committee make no mention of him), to all intents and purposes he ceased to be a part of the committee about August 1, 1917.

19. The Construction Division, while built on the skeleton of the old Construction and Repair Division of the Quartermaster Corps, in spite of all efforts to the contrary, drifted into a more or less anomalous position, due in part to its rapid growth and the numerous responsibilities that were forced upon it, and in part to the failure of other departments of the Government to comprehend its functions. The principal officers of the Division were drawn variously from the Corps of Engineers, the Quartermaster Corps, the Ordnance Corps, and the Signal Corps, and, while they reported to the head of the Construction Division direct, there was a great undercurrent of misunderstanding as to the detail of the functions that each bureau was to perform in supplying information and cooperation to the Construction Division.

20. The manifest interferences from these other bureaus in starting little building enterprises of their own, culminated in the issuance on October 5, 1917, of an order by The Adjutant General directing all construction work in this country to be conducted by the Construction Division. At that time there were probably 20 different constructional organizations either under way or in contemplation in the various bureaus of the Government. Every bureau that wanted to have anything built (and the necessity for buildings was suddenly dawning on all of these departments that had so long delayed consideration of this necessity) commenced getting up its own building department. At one time there lay before the Emergency Construction Committee information concerning five different building departments in the Ordnance Department alone. There was no apparent coordination between these, nor any attempt at coordination with the duly accredited agency set up to do this work—the Construction Division. The War Industries Board was appealed to over and over again, but it was perhaps without power in the matter, and, moreover, the subject was a technical one and seemed not to be in line with the general run of activities which so engaged the board's attention.

21. It is realized that the activities of the committee were at times troublesome to the War Industries Board. In the first place, the highly technical nature of the subject made its activities a question for experts, and the War Industries Board was never able to square the construction program with the other things it was doing. The purchase of building materials compared reasonably with other purchases with which the War Industries Board had to deal, but the recommendation of contractors, which in effect amounted to allocation (since it had become an unwritten law in the War Department that all questions of the selection of contractors should be referred to the Emergency Construction Committee), was a matter based on the opinions of the members of the Emergency Construction Committee and was, therefore, always open to question. This allocation (for such it amounted to), together with the form of contract, made the Emergency Construction Committee the target for all manner of criticism. Again, the difficulty of explaining a complicated and technical subject to a critical public rendered the work exceedingly sensitive to these outside influences. Maj. Foster, who has probably given more thought than anybody else connected with the War Industries Board to this



whole question, and whose deep study of the matter has produced more sound and constructive results than that of anyone else connected with this work, has written at length on the subject. Attached hereto, marked Exhibit G, is a memorandum from him, which sets forth the argument very clearly and logically. One reading this report gets a side light on the difficulties that beset the committee, but it is evident that, in its last analysis, the committee was only applying on a large scale and scientifically the procedure that had been for years the practice of private industry in carrying out its large commercial projects.

22. In August, 1917, the Council of National Defense decided to build its own building, for, with the growing activities of the War Industries Board, it was fast outgrowing its quarters in the Munsey Building. The question was referred to the Emergency Construction Committee, and a plan for building a temporary two-story structure at Eighteenth and D Streets was devised and submitted. Pursuant to that report the building was started on September 2, 1917, and on October 14 the structure was substantially completed and the Council of National Defense commenced to occupy it. The funds were provided from the President's special emergency fund of \$100,000,000 and the chairman of the committee was designated contracting officer. At about the same time the Food Administration needed space and with the consent of the Council of National Defense it took advantage of the work that the Emergency Construction Committee had done and shortly after the commencement of work on the Council of National Defense Building, the Food Administration Building No. 1 was started on the opposite corner of Eighteenth and D Streets NW.

This activity led to a succession of building operations all under the direction of the committee, the chairman in each case acting as contracting officer. The buildings thus built were:

	Approximate cost.	Gross area.
		<i>Square feet.</i>
Council of National Defense.....	\$225,000	105,234
Ordinance Building.....	340,000	145,176
Food No. 1 and Fuel No. 1.....	400,000	172,612
Food Administration No. 2.....	225,000	80,975
Fuel Administration No. 2.....	20,000	7,396
Fuel Administration No. 3.....	380,000	165,148
War Trade Board.....	650,000	269,344
War Industries Board.....	835,000	280,208
<b>Total.....</b>	<b>3,075,000</b>	<b>1,226,093</b>

In June, 1917, Congress had appropriated funds for building temporary space at Sixth and B Streets and the work was put under the charge of the Superintendent of Buildings and Grounds, Col. Ridley, Corps of Engineers. The committee advised with Col. Ridley in this work and recommended methods of procedure that were largely followed, for at that time all construction had not been officially placed under the Construction Division. It is to be pointed out that this activity of the emergency construction committee arose more or less as a side issue and was carried on, in so far as possible, in cooperation with the Construction Division. The reason for putting the work under the emergency construction committee and not under the Construction Division arose from construction of the law under which the President's fund was to be disbursed. For some reason which was never quite clear to the committee it seemed advisable not to merge the allowances from the President's fund with the funds regularly appropriated by Congress for war purposes.

Permission was granted by the War Industries Board to the emergency construction committee to call together a subcommittee of eminent architects who would frame an equitable form of contract which would suit the emergency situation arising, whether in housing or in the general building program, and give a basis upon which the Government could avail itself of the valuable services that the profession had to offer. This subcommittee had many conferences in Washington with the emergency construction committee.

Mr. Eidlitz, whose Housing Bureau was then assuming form, joined in some of the meetings, lending counsel and advice, and on November 10, 1917, a report was submitted by this subcommittee, copy of which is herewith attached, marked Exhibit H. This report was commended to the War Industries Board by the emergency construction committee but nothing ever came of it beyond the forwarding of it to the Construction Division by the War Industries Board. The board did not formally accept the report. It is a matter of regret that the question could not have received a definite conclusion of the board. The recommendation of the subcommittee was an exceptionally good one and the Government undoubtedly would have been the gainer by the acceptance of the form of contract or something similar to it, and the more general use of existing architectural organizations in the conduct of its emergency construction program.

As a matter of fact, toward the end of the war the Construction Division took up and modified this contract and put the modified form into effect in some few cases. The Housing Bureau definitely adopted an official relation with the profession, but as to what that relation was the emergency construction committee had no definite knowledge and, so far as the committee is aware, the architectural policy of the bureau was never referred to the War Industries Board, nor was the board apprised of the bureau's policy in this regard.

25. On January 1, 1918, Mr. Tuttle resigned from the emergency construction committee to become production manager of the Shipping Board. His loss was keenly felt.

26 The emergency construction committee had watched over the organization and work of the Construction Division, and, as here noted, had been closely allied with it in all its activities. The emergency form of contract, which had stood the test of about \$200,000,000 worth of work, was the subject of most careful solicitation during the building of the cantonments. The end of the year 1917 gave an occasion to review the work that had been done and it was discovered that, in view of the development of the Construction Division's supervisory forces and the special assistance that was being afforded contractors in the conduct of their work, such as assisting in the allocation of orders, assisting in transportation questions, and relieving the contractor of certain phases of accountancy, the fees paid were out of proportion to the services rendered. Therefore a downward revision of the schedule of percentages was decided upon, and on January 18, 1918, the committee addressed the War Industries Board with a memorandum on the subject suggesting this downward revision. Copy of memorandum is hereto attached, marked "Exhibit I."

This downward revision of percentages is graphically illustrated in the attached blue print, marked "Exhibit J." Both the original and the revised scale of percentages limited the total fee to be earned under any one contract to \$250,000, but, whereas the original contract began with a fee of 10 per cent and scaled down to 6 per cent, the new contract began with a fee of 7 per cent and scaled down through a more logical scale of reductions to a fee of 2½ per cent. (Curve of fees demonstrating these two scales of percentage, shown in Exhibit J, clearly indicates this.)

27. The early part of the year 1918 found the emergency construction committee and the Construction Division busily engaged in all manner of building activities. While the original cantonments had been completed they were all being enlarged, additional roads constructed, and waterworks installed. The National Guard camps, originally intended merely tent cities for the temporary handling of troops, had been practically developed into cantonments with roads, sewers, base hospitals, etc. All kinds of industrial activities had set in. The great powder and gas making programs were on; also the terminal and storage programs which included many interior depots and contemplated seven great port developments at Boston, Brooklyn, Newark, Philadelphia, Norfolk, Charleston, and New Orleans.

About that time, the various bureaus having made a flurry in attempting to run their own building departments, commenced to discover the difficulties they were getting into and became more and more aware of the soundness of The Adjutant General's order requiring that this work be done by the Construction Division. Partial compliance of these bureaus had set in before the end of 1917, but it was not until along in February that there was any general recognition of the necessity of conducting all of this work under one bureau. The significance of this order had not been generally understood. By

the bureaucratic agencies it was thought to be merely a scheme to give this new division extraordinary powers. Such was not the case. The shortage of building material and more particularly the shortage of labor throughout the country had produced a condition that was approaching calamitous proportions. These various building agencies of the Government were competing with each other for both labor and material with most disastrous results on every hand. Labor was entering a period of unprecedentedly high wages and unprecedented inefficiency. The competition that was setting in became so abnormal as to render the building question almost a national issue even at a time when very great problems were in the forefront of public consideration. Boards of wage adjustment of all kinds were formed and attempted to function. The independent activities of the Navy and the Shipping Board were commencing to bear fruit in further confusing an already confused situation. Labor was paid almost anything it asked, and in spite of this fact its output was constantly declining.

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The activities of the Construction Division had grown to such an extent and its functions had become so well established that in the early part of 1918 it became necessary for the General Staff to recognize its separate entity and set it up as a separate division of the Army. This was a consummation that had long been worked for by the emergency construction committee and therefore when on February 12, 1918, order was issued by the General Staff accrediting the Construction Division as a separate division of the Army it was felt that a definite step in the right directions had been made. (See copy of order of Feb. 12, 1918, setting up Construction Division, then Cantonment Division, marked "Exhibit L.") Practically all of the bureaus of the Army had come to use this division by that time and therefore it was more an internal than an external reorganization. A separate staff of 2,400 officers was assigned to the division, all to be drawn from the Quartermaster Corps, however. The Construction Division, having outgrown its quarters at Fifteenth and M Streets, moved to the new War Department structures at Seventh and B Streets on March 11, 1918.

It was at this time that many of the principal officers of that division, who were Corps of Engineer men, were transferred from the Corps of Engineers to the Quartermaster Corps. In that one transfer the Corps of Engineers lost something like 140 of the best engineers in the country who, by mere reason of a bureaucratic entanglement, lost their original corps allegiance and became Quartermaster officers; an entirely anomalous situation. It is a matter of regret that the General Staff, in setting up the Construction Division did not give it a separate corps designation. An entirely new corps with its own budgets and distinct administrative forces would have been the logical thing to do. As matters happened, the Construction Division, while separate in function, nevertheless continued to be hampered by Quartermaster Corps entanglements, which have continued to embarrass the organization.

The writer, on this transfer, was taken out of the Corps of Engineers, put in the Quartermaster Corps and promoted to the rank of colonel, under date of April 15, 1918, as of March 18, 1918. (S. O. 88, par. 148.)

The organization of the Construction Division, which had so long been worked for, was set up under this new order of the General Staff. Attached hereto is the organization chart, marked "Exhibit M." This is substantially the organization which has continued to the time of the writing of this report. The peak load of the Construction Division's activity was reached about the months of June and July, 1918. The emergency construction committee still continued to work in firm cooperation with the Construction Division. Officers' meetings were held every morning in the offices of Gen. Marshall, and the chairman of the committee frequently attended these meetings. He was always cordially received and was asked to advise on many subjects arising.

29. Reference is made elsewhere to the scrutiny by public officials under which the activities of the Construction Division proceeded. Much random criticism reached the office of the Secretary of War and, in order that the methods pursued might be reviewed, the Assistant Secretary of War invited a body of eminent specialists, composed of the presidents of the leading engineering societies and others who were nationally representative, to criticize the work that had been done. On March 15, 1918, this committee filed its report, copy of which is hereto attached, marked "Exhibit T." It will be observed that the report completely vindicates the policy pursued by the Government and indorses it as the only one possible under the circumstances. The importance

of this arises from the fact that it confirms completely the wisdom of the policy inaugurated by the War Industries Board in advising the form of contract and method of procedure followed.

30. The recommendation of contractors continued to be one of the principal functions of the emergency construction committee, and, since the War Industries Board was gradually shutting off all supplies of the civilian building activities, the Government became about the only customer for the contractors of the country. The proposed program, which was constantly being augmented, attracted to Washington contractors, from all over the country. They camped about in the hotels of Washington and many of them set up what amounted to branch offices here. They resorted to all manner of devices to attract favorable consideration. However, the original principles laid down for the selection of contractors were held throughout, and in all the recommendations made the committee was not aware of political influences or special favor of any kind as having played any part. Those contractors who did not have representatives in Washington received equal consideration with those who were constantly importuning the committee members.

In January, 1918, the chairman of the committee, desiring to ascertain how many of the contractors had been getting work by reason of personal visits, caused to be made a count of those who had come to get contracts and those who had remained at home, relying on the working of the system for their fair treatment. It was discovered that at that time over half of the recommendations made had been to concerns whose representatives had never met the chairman.

31. In March, 1918, the chairman persuaded Mr. Clair Foster to come to Washington to take a major's commission in the Army and become a member of the emergency construction committee. His work from the very first has been of the highest order, and probably no official has ever served the Government more diligently and effectively. He immediately took charge of the files of the committee and made a deep study of them. It was he whom everyone desired to see after it became known that he was here, and his fine introspection, together with his ability to judge people, gave added effectiveness to the work of the committee. Maj. Foster had had a career that particularly fitted him for this work. Starting in life in the West, he had worked first as a mechanic in a bridge shop. He afterwards entered a career in the building business, and the year 1900 found him the general superintendent of one of the largest construction companies in the country. He was connected at various times with several of the large construction companies, always having to do with the big affairs of the building industry. Afterwards he went into the business of manufacturing elevators, at which work he remained for several years, getting the full experience that goes with a large and diverse mechanical business such as that one was. Afterwards he became vice president and general manager of a large terminal company and was responsible for the business organization of that great concern, which he put on a basis of effectiveness that it had never before experienced.

For four years prior to the war he had lived more or less in retirement on his farm in the Berkshires, but always kept in touch with the affairs of the world. This wide career, so briefly sketched, included such a wealth of experience, from which he drew conclusions so truly, that of later years the soundness and maturity of his judgment in the wide variety of subjects with which he was fully familiar made his advice widely sought, not only by men who knew him but by those who knew of him. It was on account of such men as Maj. Foster that in spite of hell we won the war.

32. The work of the emergency construction committee had throughout the war been the subject of special attention of the Secretary and Assistant Secretary of War, and, due to their generous appreciation of the difficult situation of the committee and their loyal support of the policies and activities that the committee espoused, much was accomplished that would otherwise have been impossible.

33. In June and July, 1918, critics of the War Department in casting about for objections to various activities commenced to make themselves heard in criticism of certain of the building operations for war purposes. It is not to be supposed that the work of the Construction Division had gone on perfectly, and, in fact, Gen. Marshall, head of that division, would be first to admit that much happened that was distressing to him, but his indefatigable zeal in constantly striving to better his organization, together with the fine support that he received from his officers, gave his division strength and support which carried it through its difficulties.

Criticism, some just, some captious, was indiscriminately leveled at all building activities. These came to the attention of the Secretary of War, and

throughout the middle of the year 1918 it became quite customary for the Assistant Secretary of War to ask the emergency construction committee to make special reports to the War Department on the subject of these criticisms. Investigation indicated that many of these subjects of criticism were the result of the activities of the sporadic building outfits that had been set up in the various bureaus contrary to the orders of The Adjutant General of October 5, directing that all work be done under the Construction Division. It was discovered that many contracts had been made to pay contractors cost plus 10 per cent, giving them carte blanche as to what constituted cost, exacting no particular accountability and setting no limit on the amount of profit that might be made by reason of increased cost of the work. Moreover, the makers of these contracts had seemingly failed to appreciate the administrative machinery necessary to conduct work of magnitude, with the result that when these great, wildcat operations got under way they seemed to get out of all control and became incipient business shambles. There are several cases on record where the Government didn't even have a representative at the site of the operation, yet where hundreds of thousands of dollars were spent out by contractors on Government account. Moreover, estimates on which these projects had been launched were not accurate either as to the amounts of money involved or the objects to be accomplished. Projects that were "estimated" to cost two or three millions would be discovered to have run up to eight or ten million dollars before they were fairly started, and bad as it was to allow contractors 10 per cent on so vast a sum as the original estimate, no limitation of fee had been named in case of an overrun of the cost of the work.

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41. The emergency construction committee, in its study of the work as it progressed, disclosed further opportunity for efficient and economical handling of the construction program without impairing the ends sought. Experience had shown that a construction organization having successfully finished a large operation was in the best possible position to take up another operation of similar size to do it even more effectively than the one just finished. This led to the conclusion that economy demanded the keeping busy of a number of the most successful concerns on Government work. Communicating with Gen. Marshall on June 18, 1918, the committee suggested a still further reduction in the amount of fees to be paid to general contractors in the event of repeat orders for large operations. The argument is well covered by the text of the memorandum, marked "Exhibit O." The idea here suggested was never carried into execution. It may here be observed that much would have been gained had this modification been put into force. Objection to the policy of giving contractors repeat orders had always arisen from the fact that by giving one concern a number of jobs successively that concern would be making an inordinate amount of profit. This idea, so abhorrent to our governmental habit of thought, was deemed inexpedient. The principle of equal distribution, which in its practical application savors of the pork barrel, seemed uppermost in the minds of many people in influential positions in the Government. However, if it could have been pointed out that under no circumstances would a contractor be allowed to make more than a given amount per year, regardless of the number of operations assigned to him, this objection would have vanished, because the experience of the committee with Government officials, in whatever position, had indicated that in the last analysis they never attempted to subserve the Government's interests to those of their constituents for whom they sought consideration at the hands of the committee.

This proposition of still further reducing the total amount of fees under certain conditions was strongly urged and received the whole-hearted support of the Assistant Secretary of War and the chairman of the War Industries Board. However, the Construction Division objected to it on grounds that seemed to the emergency construction committee entirely untenable. The outcome of the whole matter was that nothing was ever done looking toward this still further reduction, and it is the opinion of the emergency construction committee that the Government was the loser by the failure of the Construction Division to adopt this important step.

42. The foregoing suggests the propriety of commenting on the general trend of the Construction Division as observed by the committee. It has heretofore been stated how entirely cooperative the committee was with the Construction Division and how fully and whole-heartedly it desired to support that division.

No finer body of expert and devoted officers has ever been assembled and, compared with the results obtained by other bureaus of the Government, the Construction Division must easily take the first place in the successful accomplishment of the work it set out to do. It delivered the Government's building program substantially on time and at as reasonable a cost as could have been expected under the circumstances. The hue and cry against the high costs was at one time leveled at that division largely because it was so well organized and the methods of its administration were so clearly visible. Already it is appearing that these criticisms were largely unfounded as emanating from mismanagement. The high costs observed were largely caused by economic disturbances which were felt even more severely in the shipbuilding, coal mining, munitions making, and manufacturing of all kinds, practically throughout the entire country.

In spite of this it is fair to say that the Construction Division toward the latter part of the war was due for a serious overhauling, and the writer is of the opinion that Gen. Marshall was among the first to recognize the fact. The division had become so large that the officers did not know each other. Red tape had commenced to creep in to an alarming degree. Small cliques of officers were forming around various nuclei, and prejudice and suspicion were making headway. In the highly fiduciary work that this committee was called upon to do, it was necessary to be in constant consultation with the officers of that division to ascertain where the best results were being obtained. It is unhappily the writer's duty to record that in this particular the division was deficient. It had not addressed itself to establishing standards of performance, with the result that there was no central authority to disseminate opinion as to how contractors were doing. The result was that a system of oral commendation set up among the subordinate officers, and contractors soon got to recognize this fact. In the last two months of the war the emergency construction committee was put to no end of embarrassment by contractors presenting commendation of this or that captain for some particular job.

Gen. Marshall was appealed to to stop this random commendation, but he replied that he didn't wish to introduce any more red tape into his organization. Such action as he took was verbal, as far as is known, and the evil of the situation was assuming alarming proportions at the close of the war. It needs no stretch of the imagination to indicate the baneful possibilities of this activity. The whole question was giving the higher officers in the Construction Division the greatest concern, and the committee is under the impression that very radical orders tending to correct the condition were about to be issued by Gen. Marshall when the armistice was signed and the building program brought suddenly to a close.

44. The committee's difficulty in making its more or less technical subject fully understood has been referred to heretofore in this report, but it is hard to convey a realization of the handicap that the members of this committee have labored under in "getting the subject across." The writer on one or two occasions attempted to get out some sort of a statement which would serve as a guide in attempting to explain, particularly to Government officials and Members of Congress, the work the committee was doing and the difficulties that were to be encountered. One or two articles submitted to the earlier chairmen of the War Industries Board did not seem to them proper for publication. However, when the circular issued by the committee on public information of the War Industries Board came out, on September 6, 1918, authorizing and, in fact, urging section heads to get out their publicity under certain restrictions, the writer was glad of an opportunity to take his pen in hand. "Building for victory" was written and submitted for authorization. This was duly approved, and the story appeared in the November, 1918, number of Scribner's. Copy of magazine is attached, marked Exhibit Q. Also a series of four articles appeared in Scientific American in the numbers of September 7, 14, 28, and October 12, 1918, copies of which are hereto attached, marked Exhibit R (a), (b), (c), and (d).

These five articles are frankly propaganda work, particularly the Scientific American articles. Anyone who has patience to labor through this report is urged to read the Scientific American articles. There the whole story is told, and the attitude of the War Industries Board is set forth in detail. The formal approval of the articles was obtained from the War Industries Board's publicity bureau.

45. No record of the activities of the emergency construction committee would be complete without reference to the staff organization, whose names do not appear as committee members. It was necessary for the committee to surround itself with a small but able organization of people skilled in this highly technical business of engineering and construction. In the early days of the war, Mr. James A. Meares, New York manager of the Fred T. Ley Construction Co., served as an assistant and secretary. He remained in Washington for the first four or five months of the committee's activities and rendered invaluable service. Maj. J. R. Kilpatrick, Quartermaster Corps, was among the first to offer his services, which were gladly accepted. He laid down an important official position with the Thompson-Starrett Co. in New York and took a commission in the Army. He served until December, 1917, when he was ordered into service in France.

Lieut. Joseph B. Talmage has acted as secretary to the committee from the very beginning, for the first few months as a civilian and later as an officer. Lieut. Talmage was of draft age and naturally desired to see active service, although his official assignment would have entitled him to remain continuously with the committee. However, he arranged to go to an officers' training camp, that he might be ordered into field service. His spare physique disqualified him for the rigorous work, and on that account he did not qualify. His services were so valuable, however, that the committee arranged for his return to assignment with the War Industries Board, and at this writing he continues to render most valuable service as secretary to the committee.

Capt. Kenneth M. Murchison was asked to take a commission and enter the service, and accordingly accepted his commission on February 16, 1917. He has served with the committee continuously since then. Capt. Murchison was a well-known architect of New York City before the war, and laid down a large and important practice to render this service.

Capt. Alfred H. Granger, a prominent architect of Chicago, designer of many of the large structures throughout the West, and a man of wide experience, served on the staff of the committee from November 8, 1917, to June 28, 1918. On account of his desire for foreign service he secured an appointment in an officer's training camp, and at this writing remains in the service, one of the important officers on the staff of the Chief of Engineers.

\* \* \* \* \*

46. Since the measure of the volume of business that the committee handled can be best visualized by the volume of the work handled under its purview and supervision, it seems important to introduce a tabulation of the contracts that came under its purview, together with the amounts of money involved. Attached hereto, marked Exhibit S, is photostat copy of the record of all the recommendations made by the committee.

It will be noted that when projects were brought to the committee for consideration the information about them was always very incomplete. The amounts involved were in round sums and it was always more or less difficult for the committee to get definite information, simply because such information was not available, and yet the work had to start immediately. Based on such information as it could obtain, the committee made its recommendations. The tabulation here referred to will show the estimated amounts involved and the estimated fees that the contractors would earn. Based purely on these estimates, it will appear that as presented to the committee for consideration the work involved \$541,453,821, with estimated fees to contractors of \$22,497,659. From this it will be seen that the Government was getting its work done at about cost and 4½ per cent.

However, this does not accurately measure the program handled. The last two columns of the tabulation herein referred to give the approximate actual costs and the approximate actual fees paid to contractors upon those projects wherein it is possible at the present time to ascertain figures which are approximately in final form. It will be seen that in most cases the operations greatly overran the original estimates. This did not arise so much from under-estimating as it did from the fact that the projects were in nearly every case greatly enlarged after they were launched. Applying the percentage of increase thus compiled to the total of the original estimates, it will therefore appear that the actual cost involved was something over \$619,152,444, and the aggregate actual fees approximated about \$22,510,482. Thus the contracting was actually done at about 3½ per cent of the cost. When it is considered that normal, peace-time projects for work of magnitude carry a percentage running

from 7 to 12 per cent, it will be seen that the Government has fared well in the conduct of its work.

47. The emergency construction committee desires to leave a record of its everlasting gratitude to the contracting industry for the magnificent way in which it has stood by the Government throughout its building program. The allocation of contracts on so huge a scale was entirely unprecedented. There were over 3,500 contractors whose names were filed with the emergency construction committee and yet throughout its whole activities the committee made only 336 separate recommendations. Of these, 2 contractors were recommended five times, 11 contractors were recommended four times, 18 contractors were recommended three times, 49 contractors were recommended twice, and the balance, 130, were scattering, single recommendations. This means that the committee has used 210 separate contractors in the 336 projects that have come before it. It will therefore be seen that it was only possible to recommend about 6 per cent of the general contractors listed in the files of the committee and available for the Army's construction program, and yet practically the whole industry seemed to unite in support of the way in which the War Industries Board was conducting the program.

48. After the signing of the armistice, the committee had very little to do, as the building program was suspended as quickly as possible by the War Department. Ample provision had been made in the contract for suspension, and this work became relatively simple. Furthermore, the stoppage of all non-war construction had created a situation where the building materials and labor released from war work could quickly be absorbed back into normal, peace-time activities. At the time this report is written there is every indication that the building industry will return to its normal condition with the least possible dislocation. Questions of wages and prices of materials seem rapidly to be adjusting themselves to a stable situation, and there is every indication that the industry will resume its important place in the economic development of the country, practically as strong as it was before our Government entered the war.

49. There will be found included in this final report the minutes of meetings held by the committee on emergency construction.

W. A. STARRETT,  
Colonel, A. M. C., Chairman.

Mr. McKENZIE. We also desire to have printed in the record the letter of the chairman of this committee to the Secretary of War, dated December 24, 1919, requesting information as to the total actual cost to the taxpayers of the 16 Army cantonments and the 16 National Guard camps, together with the answer of the Chief of the Construction Division thereto, dated January 15, 1920, with attached exhibits; and a subsequent letter of the chairman of the committee to the Secretary of War relating to this information, dated January 14, 1920, and the answer of the Chief of the Construction Division thereto, dated January 19, 1920.

(The papers above referred to are here printed in full in the record as follows:)

DECEMBER 24, 1919.

THE HON. SECRETARY OF WAR,  
War Department, Washington, D. C.

MY DEAR MR. SECRETARY: Will you kindly cause to be furnished, for the use of subcommittee No. 2 of the Select Committee on Expenditures in the War Department, the following data, and, if possible, let it be furnished not later than December 31:

1. The total cost to the Government, corrected to date, of each of the 16 National Army cantonments, separated, as far as possible, into—

(a) Shelter complete.

(b) Outside utilities.

(c) Administrative, storage, and special buildings and projects (e. g. rifle ranges, etc.).



2. The same as to the 16 National Guard camps.

3. The amount, as to each of the above projects, by items, of all additional payments made by the United States, such as freight and expressage on material, engineering fees, etc., properly chargeable as a part of the cost to the United States of the construction of each of the above 32 projects, not shown as a part of the cost by the several contractors thereon; and indicate by the letter of transmittal whether or not they are included in the totals under 1 and 2 above.

4. The number of officers and men, animals, and quantity of material and equipment that was to be cared for under the original contracts for construction in each of the above 32 projects; that is, exactly what was embraced in the original contracts.

Very respectfully,

*Chairman Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department.*

WAR DEPARTMENT,  
OFFICE OF THE CONSTRUCTION DIVISION OF THE ARMY,  
Washington, D. C., January 15, 1920.

Hon. W. J. GRAHAM,

*Chairman Committee on Expenditures in the War Department,  
House of Representatives, Washington, D. C.*

For the attention of Hon. John C. McKenzie, chairman Subcommittee No. 2.

SIR: Referring to your letter of December 24, addressed to the Secretary of War and by him referred to this office, requesting certain information regarding costs and capacities of camps and cantonments. Attached hereto are six tabulations giving information therein requested, in so far as such information is available:

1. Total cost for construction of each of the National Army cantonments is estimated to be as shown on sheets 1 and 2, subdivided as requested. The headings under which the funds are divided on sheets 1, 2, 3, and 4 are those referred to in the two pamphlets attached hereto; one dated July 18, 1918, notice No. 30 from the office of the Quartermaster General, and the other dated October 2, 1919, Supply Circular No. 54, from the Purchase, Storage and Traffic Division of the General Staff.

2. The same information for the National Guard camps is shown on sheets 3 and 4.

3. The totals under 1 and 2 above do not include payments for transportation of construction materials for most of the work, as payments were through the office of the Director of Finance and detailed records do not show such payments segregated under the headings of individual camp construction.

4. The numbers of officers and men, animals, and quantities of materials and equipment that were to be cared for under the original contracts for construction on each of the above 32 projects, are shown for the 16 National Army cantonments on sheets 5 and 6 and in part for National Guard camps on sheet 6; all other National Guard requirements were for one Infantry division of 35,992 men and 10,533 animals.

Respectfully,

R. C. MARSHALL, Jr.,  
Brigadier General, United States Army,  
Chief of Construction Division.

WAR DEPARTMENT,  
OFFICE QUARTERMASTER GENERAL OF THE ARMY,  
Washington, July 18, 1918.

Subject: Itemized classification or appropriations.

1. The Army appropriation act for the fiscal year 1919, approved July 9, 1918, provides:

That all the money hereinbefore designated under the titles

"Subsistence of the Army,"

"Regular supplies, Quartermaster Corps,"

"Incidental expenses, Quartermaster Corps,"

"Transportation of the Army and its supplies,"

"Clothing and camp and garrison equipage,"

"Water and sewers at military posts,"

"Horses for Cavalry, Artillery, and Engineers," etc.,

"Barracks and quarters,"

"Military post exchanges,"

"Roads, walks, wharves, and drainage,"

"Barracks and quarters, Philippine Islands,"

"Construction and repair of hospitals,"

"Quarters for hospital stewards,"

"Shooting galleries and ranges,"

"Maintenance Army War College,"

"Rent of buildings, Quartermaster Corps,"

"Claims for damage to and loss of private property,"

"Vocational training,"

"Rifle ranges for civilian instruction,"

"Quartermaster supplies, equipment, etc., Reserve Officers' Training Corps,"

"Quartermaster supplies for military equipment of schools and colleges,"

Shall be disbursed and accounted for by officers and agents of the Quartermaster Corps as general appropriations, Quartermaster Corps, and for that purpose shall constitute one fund.

Formerly disbursed and  
accounted for as sup-  
plies, services, and  
transportation, Quarter-  
master Corps.

*Detailed statement of approximate cost of National Army camps, Dec. 31, 1919.*

Camps.	Quartermaster Corps funds.							Transferred funds.				
	Total.	G. A., 1919.	B. and Q., 1918.	S. S. and T., 1918.	R. W. W. and D., 1918.	C. and R. of H.	S. G. and R.	M. P. E.	I. and P. S. and S. F.	S. S. of A.	A. S. M.	Inc. A. Va.
Camp Custer:												
Allotments fiscal year, 1918.....	\$10,154,281.01		\$3,817,193.87	\$4,248,724.84	\$668,243.93	\$1,186,089.00	\$51,704.00	\$41,970.37	\$114,175.00	\$6,200.00		
Allotments fiscal year 1919.....	3,087,905.00	\$3,087,905.00										
Total allotments	13,242,186.01	3,087,905.00	3,817,193.87	4,248,724.84	668,243.93	1,186,089.00	51,704.00	41,970.37	114,175.00	6,200.00		
Savings reported..	412,122.94	82,510.52	78.83	24,849.13	15,961.17	274,289.96	2,920.44		10,962.73	540.16		
Financial statement of camp.	12,830,063.07	3,005,394.48	3,817,115.04	4,223,875.71	672,262.76	911,779.04	48,783.56	41,970.37	103,222.27	5,659.84		
Surplus material..	500,000.00		250,000.00	250,000.00								
Approximate cost of camp...	12,330,063.07	3,005,394.48	3,567,115.04	3,973,875.71	672,262.76	911,779.04	48,783.56	41,970.37	103,222.27	5,659.84		
Camp Devens:												
Allotments fiscal year 1918.....	12,526,665.48		5,514,792.52	4,285,080.27	930,048.00	1,565,309.69	55,000.00	27,000.00	139,435.00			
Allotments fiscal year 1919.....	528,404.51	522,944.51							5,480.00			
Total allotments	13,055,069.99	522,944.51	5,514,792.52	4,285,080.27	930,048.00	1,565,309.69	55,000.00	27,000.00	144,895.00			
Savings reported..	753,021.66	16,745.08	324,662.91	150,461.48	118,261.86	113,900.33						
Financial statement of camp.	12,302,048.33	504,199.43	5,190,129.61	4,144,618.79	811,796.14	1,451,409.36	55,000.00		144,895.00			
Surplus material..	500,000.00		300,000.00	200,000.00								
Approximate cost of camp...	11,802,048.33	504,199.43	4,890,129.61	3,944,618.79	811,796.14	1,451,409.36	55,000.00		144,895.00			
Camp Dix:												
Allotments fiscal year 1918.....	12,353,800.93		5,521,900.62	4,360,396.55	647,319.96	1,391,855.19	202,309.07	37,685.54	172,135.00	25,200.00		
Allotments fiscal year 1919.....	406,785.00	387,910.00							18,875.00			
Total allotments	12,760,585.93	387,910.00	5,521,900.62	4,360,396.55	647,319.96	1,391,855.19	202,309.07	37,685.54	191,010.00	25,200.00		

Detailed statement of approximate cost of National Army camps, Dec. 31, 1919—Continued.

Camps.	Quartermaster Corps funds.									Transferred funds.		
	Total.	G. A., 1919.	B. and Q., 1918.	S. S. and T., 1918.	R. W. W. and D., 1918.	C. and R. of H.	S. G. and R.	M. P. E.	I. and P. S. and S. F.	S. S. of A.	A. S. M.	Inc. Avia.
Camp Dix—Contd.												
Financial statement of camp.	\$12,439,685.81	\$326,060.05	\$5,521,900.62	\$4,343,124.30	\$647,319.96	\$1,163,794.14	\$202,309.07	\$37,685.54	\$173,839.15	\$23,662.98		
Surplus material.	500,000.00		300,000.00	200,000.00								
Approximate cost of camp.	11,939,685.81	326,060.05	5,221,900.62	4,143,124.30	647,319.96	1,163,794.14	202,309.07	37,685.54	173,839.15	23,662.98		
Camp Dodge:												
Alloiments fiscal year 1918.	8,267,628.28		3,596,419.00	2,767,920.00	706,511.73	961,917.68	52,685.42	27,000.00	165,215.00	9,859.45		
Alloiments fiscal year 1919.	2,289,316.36	2,286,116.36							3,200.00			
Total alloiments	10,576,944.64	2,286,116.36	3,596,419.00	2,767,920.00	706,511.73	961,917.68	52,685.42	27,000.00	168,415.00	9,859.45		
Savings reported.	1,276,373.19	916,930.28	108,314.46	155,608.26	31,197.88	50,684.40		304.73	6,986.46	3,366.72		
Financial status of camp.	9,301,471.45	1,367,186.08	3,488,104.54	2,612,311.74	675,313.85	911,233.28	52,685.42	26,695.27	161,428.54	6,462.73		
Surplus material.	500,000.00	100,000.00	100,000.00	200,000.00		100,000.00						
Approximate cost of camp.	8,801,471.45	1,267,186.08	3,388,104.54	2,412,311.74	675,313.85	811,263.28	52,685.42	26,695.27	161,428.54	6,462.73		
Camp Funston:												
Alloiments fiscal year 1918.	10,381,965.57		4,417,220.82	4,747,449.55	620,262.96	447,599.01	27,509.64	2,500.00	119,422.59			
Alloiments fiscal year 1919.	291,688.97	288,938.97							2,750.00			
Total alloiments	10,673,654.54	288,938.97	4,417,220.82	4,747,449.55	620,262.96	447,599.01	27,509.64	2,500.00	122,172.59			
Savings reported.	146,506.57	5,007.90		89,032.59	8,496.02		22,490.46		24,589.60			
Financial status of camp.	10,527,147.97	283,931.07	4,417,220.82	4,658,416.96	611,826.94	447,599.01	5,019.18	2,500.00	97,682.99			
Surplus material.	500,000.00		260,000.00	260,000.00								
Approximate cost of camp.	10,024,147.97	283,931.07	4,157,220.82	4,458,416.96	611,826.94	447,599.01	5,019.18	2,500.00	97,682.99			

[illegible]

Detailed statement of approximate cost of National Army camps, Dec. 31, 1919—Continued.

Camps.	Quartermaster Corps funds.								Transferred funds.		
	Total.	G. A., 1919.	B. and Q., 1918.	S. S. and T., 1918.	R. W. W. and D., 1918.	C. and R. of H.	S. G. and R.	M. P. E.	I. and P. S. and S. F.	S. S. of A.	A. S. M. Inc. Avia.
Camp Pike:											
Allotments, fiscal year 1918.....	\$9,874,349.82										
Allotments, fiscal year 1919.....	3,948,850.00	\$3,948,850.00		\$4,601,749.56	\$728,887.87	\$853,429.97	\$50,442.36	\$42,000.00	\$120,985.00		
Total allotments of camp.....	13,823,199.82	3,948,850.00		3,466,845.06	728,887.87	853,429.97	50,442.36	42,000.00	180,985.00		
Savings reported.....	604,969.29	182,220.15		86,011.43	20,822.11	134,305.68	39.46	4,655.37	18,913.87		
Financial status of camp.....											
Surplus material.....	13,218,230.73	3,766,629.85	4,443,748.34	3,390,833.63	708,065.76	719,124.29	50,402.90	37,944.03	112,081.13		
500,000.00		100,000.00	200,000.00	100,000.00							
Approximate cost of camp.....	12,718,230.73	3,666,629.85	4,243,748.34	3,290,833.63	708,065.76	719,124.29	50,402.90	37,944.03	112,081.13		
Camp Sherman:											
Allotments, fiscal year 1918.....	10,781,110.87										
Allotments, fiscal year 1919.....	1,852,605.00	1,852,605.00		3,724,804.00	562,854.00	1,008,816.62	50,000.00	27,190.26	113,815.00		
Total allotments of camp.....	12,633,715.87	1,852,605.00		3,724,804.00	562,854.00	1,008,816.62	50,000.00	27,190.26	113,815.00		
Savings reported.....	70,473.43	66,124.44	1,315.93		3,033.06						
Financial status of camp.....											
Surplus material.....	12,563,242.44	1,786,480.56	5,273,315.06	3,724,804.00	559,820.94	1,008,816.62	50,000.00	27,190.26	113,815.00		
500,000.00		100,000.00	300,000.00	100,000.00							
Approximate cost of camp.....	12,063,242.44	1,686,480.56	4,972,315.06	3,624,804.00	559,820.94	1,008,816.62	50,000.00	27,190.26	113,815.00		
Camp Taylor:											
Allotments, fiscal year 1918.....	8,120,124.51										
Allotments, fiscal year 1919.....	779,417.33			4,163,326.61	653,269.76	686,799.11	75,153.21	34,973.32	140,622.01		
Total allotments of camp.....	8,909,541.84			2,113,961.49	653,269.76	686,799.11	75,153.21	34,973.32	140,622.01		
Savings reported.....	139,221.36	77,267.67	179,010.99	81,411.57	13,596.13	141,297.40	226.63	26,996.76	69,411.37		

Financial status of camp.....	\$8,360,350.48	\$702,179.66	\$3,984,314.69	\$2,062,549.92	\$439,691.64	\$797,501.71	\$74,924.58	\$7,977.54	\$71,210.74	
Surplus material.....	500,000.00		300,000.00	200,000.00						
Approximate cost of camp.....	7,860,350.48	702,179.66	3,684,314.69	1,862,549.92	639,691.64	797,501.71	74,924.58	7,977.54	71,210.74	
Camp Travis:										
Allotments, fiscal year 1918.....	7,973,106.97									
Allotments, fiscal year 1919.....	499,732.43	499,732.43	3,908,602.96	2,304,813.01	580,780.98	1,107,462.46	48,951.36		122,496.20	
Total allotments Savings reported.....	8,472,839.40	499,732.43	3,908,602.96	2,304,813.01	580,780.98	1,107,462.46	48,951.36		122,496.20	
Financial status of camp.....	8,432,839.40	499,732.43	3,908,602.96	2,304,813.01	580,780.98	1,107,462.46	48,951.36		122,496.20	
Surplus material.....	500,000.00		300,000.00	200,000.00						
Approximate cost of camp.....	7,932,839.40	499,732.43	3,508,602.96	2,104,813.01	580,780.98	1,107,462.46	48,951.36		122,496.20	
Camp Upton:										
Allotments, fiscal year 1918.....	13,902,360.52									
Allotments, fiscal year 1919.....	727,797.80	725,122.80	5,709,362.34	5,329,537.01	984,834.00	1,563,862.88	52,115.00	61,720.95	178,778.34	\$2,152.33
Total allotments Savings reported.....	14,630,158.32	725,122.80	5,709,362.34	5,329,537.01	984,834.00	1,563,862.88	52,115.00	61,720.95	181,451.34	2,152.33
Financial status of camp.....	206,661.02				60,722.01	110,592.81	1,644.61	17,301.36	16,400.23	
Surplus material.....										
Approximate cost of camp.....	14,423,497.30	725,122.80	5,709,362.34	5,329,537.01	924,111.96	1,483,270.07	50,470.39	34,419.59	165,051.11	2,152.33
Camp Lee:										
Allotments, fiscal year 1918.....	13,923,497.30	725,122.80	5,409,362.34	5,129,537.01	924,111.96	1,483,270.07	50,470.39	34,419.59	165,051.11	2,152.33
Allotments, fiscal year 1919.....	14,865,408.63		7,241,804.39	4,762,060.51	619,694.32	1,900,402.78	52,000.00	36,421.63	285,025.00	
Total allotments Savings reported.....	19,261,860.24	4,394,481.61	7,241,804.39	4,762,060.51	619,694.32	1,900,402.78	52,000.00	36,421.63	285,025.00	
Financial status of camp.....	99,062.95	20,150.45	1,940.62	64,806.83				156.05	12,200.00	
Surplus material.....	19,162,837.29	4,374,331.16	7,239,863.77	4,697,454.68	619,694.32	1,900,402.78	52,000.00	36,265.58	242,825.00	
	500,000.00	100,000.00	300,000.00	100,000.00						

Detailed statement of approximate cost of National Army camps, Dec. 31, 1919—Continued.

Camps.	Quartermaster Corps funds.										Transferred funds.		
	Total.	G. A., 1919.	B. and Q., 1918.	S. S. and T., 1918.	R. W. W. and D., 1918.	C. and R. of H.	S. G. and R.	M. P. E.	I. and P. S. and S. F.	S. S. of A.	A. S. M.	Inc. Avia.	
Camp Lee—Con. Savings reported Con.													
Approximate cost of camp.	\$18,662,837.27	\$4,274,331.16	\$8,939,863.77	\$1,597,454.68	\$619,694.32	\$1,900,402.78	\$52,000.00	\$36,265.58	\$242,825.00				
Camp Lewis: Allotments, fiscal year 1918.	8,373,893.96												
Allotments, fiscal year 1919.	219,786.00	219,786.00	3,783,081.26	2,860,605.13	383,285.86	1,076,984.34	59,347.37	32,675.00	147,915.00				
Total allotments	8,593,689.96	219,786.00	3,783,081.26	2,860,605.13	383,285.86	1,076,984.34	59,347.37	32,675.00	147,915.00				
Savings reported.	280,243.04	672.31	74,986.15	26,744.00	9,665.70	159,368.42	5,189.43	679.36	12,507.67				
Financial status of camp.	8,304,446.92	219,123.69	3,708,095.11	2,863,861.13	374,220.16	917,585.92	54,157.94	31,985.64	135,407.33				
Surplus material.	500,000.00		300,000.00	200,000.00									
Approximate cost of camp.	7,804,446.92	219,123.69	3,478,095.11	2,663,861.13	374,320.16	917,585.92	54,157.94	31,985.64	135,407.33				
Camp Meade: Allotments, fiscal year 1918.	12,578,820.96												
Allotments, fiscal year 1919.	4,480,230.36	4,451,350.36	5,613,677.64	4,373,171.68	1,133,521.93	1,126,718.44	50,254.55	90,143.40	191,333.32	\$5,464.97			
Total allotments	17,078,536.29	4,451,350.36	5,613,677.64	4,373,171.68	1,133,521.93	1,126,718.44	50,254.55	90,143.40	37,890.00				
Financial status of camp.	17,078,536.29	4,451,350.36	5,613,677.64	4,373,171.68	1,133,521.93	1,126,718.44	50,254.55	90,143.40	229,213.32				
Surplus material.	500,000.00	100,000.00	300,000.00	100,000.00									
Approximate cost of camp.	16,578,536.29	4,351,350.36	5,313,677.64	4,273,171.68	1,133,521.93	1,126,718.44	50,254.55	90,143.40	229,213.32	\$5,464.97			



## Detailed statement of approximate cost of National Guard camps., Dec. 31, 1919.

Camps.	Quartermaster Corps funds.								Transferred funds.				
	Total.	G. A., 1919.	B. and Q., 1918.	S. S. and T., 1918.	R. W. W. and D., 1918.	C. and R. of H., 1918.	S. G. and R., 1918.	M. P. E., 1918.	I. and P. S. and S. F.	S. S. of A.	Inc. avia.	R. for F. A.	A. S. M.
<b>CAMP BEAVER-GARD.</b>													
Allotments:													
Fiscal year 1918.	\$4,906,278.29												
Fiscal year 1919.	381,311.15	\$360,361.15	\$1,465,065.26	\$1,754,032.49	\$445,268.24	\$966,586.19	\$177,281.17	\$4,232.70	\$91,851.62	\$1,960.62			
Total allotments.	5,287,589.44	360,361.15	1,465,065.26	1,754,032.49	445,268.24	966,586.19	177,281.17	4,232.70	112,801.62	1,960.62			
Savings reported.	173,486.60				363.17	88,258.89	36,224.63	9.83	46,639.46	1,960.62			
Approximate cost of camp.	5,114,102.84	360,361.15	1,465,065.26	1,754,032.49	444,885.07	878,327.30	141,046.54	4,222.87	66,162.16				
<b>CAMP BOWIE.</b>													
Allotments:													
Fiscal year 1918.	3,397,984.81												
Fiscal year 1919.	94,648.76	94,648.76	1,264,917.31	1,274,834.77	146,514.80	592,857.96	70,036.52	5,444.45	43,379.00				
Total allotments.	3,492,633.57	94,648.76	1,264,917.31	1,274,834.77	146,514.80	592,857.96	70,036.52	5,444.45	43,379.00				
Savings reported.	169,266.07			1,452.01	7,411.20	125,002.73	36,363.48	36.65					
Approximate cost of camp.	3,323,367.50	94,648.76	1,264,917.31	1,273,382.76	139,103.60	467,855.23	34,673.04	5,407.80	43,379.00				
<b>CAMP CODY.</b>													
Allotments:													
Fiscal year 1918.	4,065,468.28												
Fiscal year 1919.	64,030.18	64,030.18	1,486,939.07	1,407,305.65	164,901.42	821,448.16	113,200.80	10,158.18	59,525.00				
Total allotments.	4,129,498.46	64,030.18	1,486,939.07	1,407,305.65	164,901.42	821,448.16	113,200.80	10,158.18	59,525.00				
Savings reported.	209,012.81		22,038.13	14,137.79		89,857.72	67,303.54	902.34	14,613.29				
Approximate cost of camp.	3,920,485.65	64,030.18	1,466,880.94	1,393,167.86	164,901.42	731,580.44	45,817.26	9,195.84	44,911.71				

*Detailed statement of approximate cost of National Guard camps, Dec. 31, 1919—(continued.)*  
 [Dec. 31, 1919.]

Campa.	Quartermaster Corps funds.								Transferred funds.				
	Total.	G. A., 1919.	B. and Q., 1918.	S. S. and T., 1918.	R. W. W. and D., 1918.	C. and R. of H., 1918.	S. G. and R., 1918.	M. P. E., 1918.	I. and P. S. and S. F.	S. S. of A.	Inc. avia	R. for F. A.	A. S. M.
<b>CAMP DOMINEAN.</b>													
Allotments:													
Fiscal year 1918.	\$2,697,064.06												
Fiscal year 1919.	6,582.51	\$6,582.51											
Approximate cost of camp	2,703,636.57	6,582.51	1,051,309.00	519,851.31	351,834.18	\$621,934.57	\$112,200.00	\$4,000.00	\$35,925.00				
<b>CAMP FREMONT.</b>													
Allotments:													
Fiscal year 1918.	2,490,297.00									.00			
Fiscal year 1919.	66,743.27	66,743.27											
Total allocations	2,557,040.27	66,743.27											
Savings reported.	187,605.71	25,194.00	37,245.93	52,179.99	2,487.52	22,612.61	16,788.87	364.39	10,499.24	298.26			
Approximate cost of camp	2,369,434.56	41,549.27	968,754.07	683,615.01	104,646.48	505,998.39	64,841.13	10,465.71	9,425.76	216.74			
<b>CAMP GREENE.</b>													
Allotments:													
Fiscal year 1918.	4,351,726.83												
Fiscal year 1919.	292,453.16	292,453.16											
Total allocations	4,644,182.99	292,453.16											
Savings reported.	417,885.66												
Approximate cost of camp	4,226,297.31	292,453.16	1,385,156.60	1,352,724.08	339,180.66	736,698.38	87,970.19		31,712.79	1,410.80			

<b>CAMP HANCOCK.</b>												
Allocments:												
Fiscal year 1918.	3,486,634.40	1,183,720.62	1,075,605.26	200,817.03	779,192.38	135,097.92	6,729.17	84,374.23	1,100.00			
Fiscal year 1919.	1,286,883.67	1,166,033.67						127,800.00				
Total allotments.												
Savings reported.	4,760,470.27	1,183,720.62	1,075,605.26	200,817.03	779,192.38	135,097.92	6,729.17	212,174.23	1,100.00			
Approximate cost of camp.	370,866.40	34,314.67	4,524.32	11,823.33	156,700.01	30,860.18	902.83	129,374.93	863.72			
	4,389,576.78	1,149,405.95	1,071,080.44	188,983.70	620,492.37	104,207.74	5,826.34	82,799.28	737.28			
<b>CAMP KEARNEY.</b>												
Allocments:												
Fiscal year 1918.	3,712,580.80	1,084,758.00	1,335,670.00	443,604.80	714,624.00	114,091.00	27,000.00	42,825.00				
Fiscal year 1919.	509,976.83	496,476.83						23,500.00				
Total allotments.												
Savings reported.	4,222,557.63	1,084,758.00	1,335,670.00	443,604.80	714,624.00	114,091.00	27,000.00	66,325.00				
Approximate cost of camp.	184,945.54	15,068.23	10,461.92	1,801.80	151,142.31		30.52	6,601.76				
	4,037,612.09	1,019,657.77	1,325,208.08	442,003.00	563,491.69	114,091.00	26,960.48	59,723.24				
<b>CAMP LOGAN.</b>												
Allocments:												
Fiscal year 1918.	3,534,980.26	1,210,781.35	1,364,113.57	187,097.22	641,876.00	89,163.22	6,888.90	35,060.00				
Fiscal year 1919.	110,284.35	76,176.36						34,107.99				
Total allotments.												
Savings reported.	3,645,264.61	1,210,781.35	1,364,113.57	187,097.22	641,876.00	89,163.22	6,888.90	69,167.99				
Approximate cost of camp.	106,381.98	14,505.02	51,961.32		25,263.06	27.07	238.33	13,397.18				
	3,539,882.63	1,196,276.33	1,312,162.25	187,097.22	616,612.94	89,184.15	6,650.57	55,770.81				
<b>CAMP M'ARTHUR.</b>												
Allocments:												
Fiscal year 1918.	3,875,202.53	1,182,549.04	1,506,631.51	176,576.00	716,188.00	106,400.00	10,513.03	145,335.00				
Fiscal year 1919.	562,963.75	294,653.75						82,100.00	\$186,200.00			
Total allotments.												
Savings reported.	4,438,166.33	1,182,549.04	1,506,631.51	176,576.00	716,188.00	106,400.00	10,513.03	227,455.00	186,200.00			
Approximate cost of camp.	186,950.06	4,573.21	21,322.54	2,533.35	96,967.81	39,867.72	176.02	20,160.81	386.60			
	4,252,206.27	1,147,975.88	1,547,298.97	174,042.65	619,230.19	65,532.28	10,338.01	207,304.19	185,890.40			

## Detailed statement of approximate cost of National Guard camps, Dec. 31, 1919—Continued.

Camps.	Quartermaster Corps funds.										Transferred funds.		
	Total.	G. A., 1919.	B. and Q., 1918.	S. S. and T., 1918.	R. W. W. and D., 1918.	C. and R. of H., 1918.	S. G. and R., 1918.	M. P. E., 1918.	I. and P. S. and S. F.	S. S. of A.	Inc. avia.	R. for F. A.	A. S. M.
<b>CAMP M'CLELLAN.</b>													
Allotments:													
Fiscal year 1918.	\$5,833,870.14												
Fiscal year 1919.	1,163,424.85	\$1,168,924.85	\$1,071,858.38	\$2,610,044.39	\$309,694.88	\$1,029,193.80	\$144,600.00		\$41,078.00	\$2,000.69		\$126,000.00	\$4,500.00
Total allotments.	6,997,294.99	1,168,924.85	1,071,858.38	2,610,044.39	309,694.88	1,029,193.80	144,600.00		41,078.00	2,000.69		126,000.00	4,500.00
Savings reported.	188,155.69		133,893.35	1,661.31	900.58	38,312.20	1,513.17		12,265.06				
Approximate cost of camp.	6,809,139.30	1,168,924.85	1,438,275.03	2,608,483.08	308,694.30	990,881.60	142,866.83		29,392.92	2,000.69		126,000.00	4,500.00
<b>CAMP BEVIER.</b>													
Allotments:													
Fiscal year 1918.	3,442,183.19												
Fiscal year 1919.	2,660,187.47	2,662,358.47	1,021,763.84	1,181,635.25	201,904.00	825,060.99	95,200.00		114,721.00	1,611.11			
Total allotments.	6,102,370.66	2,662,358.47	1,021,763.84	1,181,635.25	201,904.00	825,060.99	95,200.00		132,550.00	1,611.11			
Savings reported.	174,247.86			126,441.16	513.37	26,371.36	128.30		20,142.62	666.15			
Approximate cost of camp.	5,948,122.80	2,662,358.47	1,021,763.84	1,055,494.09	201,390.63	798,679.63	95,071.70		112,407.48	954.96			
<b>CAMP BEVELY.</b>													
Allotments:													
Fiscal year 1918.	5,235,984.95												
Fiscal year 1919.	524,333.60	524,333.60	1,616,747.04	1,972,235.13	653,748.00	838,335.96	169,606.91		83,962.67	1,037.22			
Total allotments.	5,760,318.55	524,333.60	1,616,747.04	1,972,235.13	653,748.00	838,335.96	169,606.91		83,962.67	1,037.22			
Savings reported.	246,073.45		72,374.69	78,553.16	26,499.49	162,211.08	2,545.52		12,555.02	44.84			
Approximate cost of camp.	5,405,444.90	524,333.60	1,444,372.45	1,893,671.97	626,248.51	676,124.95	167,063.99		71,407.65	1,012.38			

<b>CAMP SHERIDAN.</b>										
Alloiments:	3,258,392.08	.....	959,321.00	1,252,728.00	171,826.83	656,330.00	140,200.00	76,240.00	1,716.23	.....
Fiscal year 1918.	286,227.75	294,007.75	.....	.....	.....	.....	.....	4,220.00	.....	.....
Fiscal year 1919.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total allotments:	3,556,589.81	294,007.75	959,321.00	1,252,728.00	171,826.83	656,330.00	140,200.00	80,460.00	1,716.23	.....
Savings reported:	286,588.70	19,330.00	76,307.00	112,136.96	211.86	61,660.00	6,336.97	21,666.46	.....	.....
Approximate cost of camp:	3,258,001.11	274,677.75	883,013.95	1,139,591.04	171,614.97	594,730.00	133,863.03	58,793.54	1,716.23	.....
<b>CAMP WADE-WORTH.</b>										
Alloiments:	4,423,025.66	.....	1,326,276.39	1,530,240.58	375,319.69	966,395.21	98,900.71	115,490.00	1,800.00	.....
Fiscal year 1918.	400,907.00	400,907.00	.....	.....	.....	.....	.....	.....	.....	.....
Fiscal year 1919.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total allotments:	4,823,932.66	400,907.00	1,326,276.39	1,530,240.58	375,319.69	966,395.21	98,900.71	115,490.00	1,800.00	.....
Savings reported:	240,466.75	.....	1,026.35	468.44	9,775.52	227,101.24	1,176.79	.....	709.00	.....
Approximate cost of camp:	4,582,462.91	400,907.00	1,324,250.04	1,529,772.14	365,544.17	739,293.97	97,723.92	115,490.00	1,100.00	.....
<b>CAMP WHEELER.</b>										
Alloiments:	3,720,257.68	.....	1,283,463.50	1,159,149.93	292,658.02	764,799.31	91,800.00	126,840.00	1,546.92	.....
Fiscal year 1918.	126,052.80	116,452.80	.....	.....	.....	.....	.....	8,600.00	.....	.....
Fiscal year 1919.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total allotments:	3,854,310.48	116,452.80	1,283,463.50	1,159,149.93	292,658.02	764,799.31	91,800.00	134,440.00	1,546.92	.....
Savings reported:	193,392.51	19,330.00	43,633.20	20,169.97	4,601.59	78,846.90	13,965.72	12,845.13	.....	.....
Approximate cost of camp:	3,660,917.97	97,122.80	1,249,830.30	1,138,979.96	288,056.43	685,952.41	77,804.28	121,594.87	1,546.92	.....

TABLE B.—Summary of personnel for cantonments for the National Army, revised June 8, 1917.

Department.	Division.	Location.	Infantry division.	Aero squadron.	Balloon company.	Telegraph battalion.	Heavy artillery, horse drawn.	Infantry regiment.	Total for cantonments.
Northeastern..	I	Ayer, Mass.....	35,992	173	101	225	1,373	.....	37,983
Eastern.....	II	Yaphank, L. I.....	35,992	173	202	.....	2,744	.....	39,111
	III	Wrightstown, N. J.....	35,992	173	101	.....	1,373	.....	37,633
	IV	Annapolis, Md.....	35,992	173	.....	.....	1,373	.....	37,637
	V	Petersburg, Va.....	35,992	173	101	.....	2,744	5,568	44,698
Southeastern..	VI	Columbia, S. C.....	35,992	173	.....	.....	1,373	2,784	40,647
	VII	Atlanta, Ga.....	35,992	.....	101	225	1,373	2,784	40,148
	XII	Little Rock, Ark.....	35,992	.....	.....	.....	1,373	2,784	39,778
Central.....	VIII	Chillicothe, Ohio.....	35,992	.....	.....	225	1,373	.....	37,639
	IX	Louisville, Ky.....	35,992	.....	.....	.....	.....	5,568	41,660
	X	Battle Creek, Mich.....	35,992	.....	.....	.....	.....	.....	35,992
	XI	Rockford, Ill.....	35,992	.....	.....	.....	1,373	.....	37,364
	XIII	Des Moines, Iowa.....	35,992	.....	.....	225	2,744	5,568	44,629
	XIV	Fort Riley, Kans.....	35,992	.....	.....	225	1,373	5,371	43,960
Southern.....	XV	Fort Sam Houston, Tex.....	35,992	173	.....	.....	1,373	5,568	43,105
Western.....	XVI	American Lake, Wash.....	35,992	519	202	225	4,135	5,568	43,641
			575,872	1,730	808	1,350	24,715	44,563	649,088

TABLE C.—Schedule of animals for cantonments for National Army.

Department.	Division.	Location.	Infantry division.	Aero squadron.	Balloon company.	Telegraph battalion.	Heavy artillery, horse drawn.	Infantry regiment.	Total for cantonments.
Northeastern..	I	Ayer, Mass.....	10,533	.....	.....	.....	1,494	.....	12,027
	II	Yaphank, L. I.....	10,533	.....	.....	.....	2,988	.....	13,521
	III	Wrightstown, N. J.....	10,533	.....	.....	.....	1,494	.....	12,027
	IV	Annapolis Junction, Md.....	10,533	.....	.....	.....	1,494	.....	12,027
	V	Petersburg, Va.....	10,533	.....	.....	.....	2,988	494	14,015
	VI	Columbia, S. C.....	10,533	.....	.....	.....	1,494	247	12,274
	VII	Atlanta, Ga.....	10,533	.....	.....	.....	1,494	247	12,274
	XII	Little Rock, Ark.....	10,533	.....	.....	.....	.....	247	10,780
	VIII	Chillicothe, Ohio.....	10,533	.....	.....	.....	1,494	.....	12,027
	IX	Louisville, Ky.....	10,533	.....	.....	.....	.....	494	11,027
	X	Battle Creek, Mich.....	10,533	.....	.....	.....	.....	.....	10,533
	XI	Rockford, Ill.....	10,533	.....	.....	.....	1,494	.....	12,027
	XIII	Des Moines, Iowa.....	10,533	.....	.....	.....	2,988	494	14,015
	XIV	Fort Riley, Kans.....	10,533	.....	.....	.....	1,494	741	12,768
	XV	Fort Sam Houston, Tex.....	10,533	.....	.....	.....	1,494	494	12,521
	XVI	American Lake, Wash.....	10,533	.....	.....	.....	4,502	494	15,529
			168,528	.....	.....	.....	26,912	3,952	199,392

Table showing amount of storage space for supplies and equipment, vehicle sheds, number of hospital beds, and rifle ranges called for in preliminary instructions to constructing quartermaster, compiled Jan. 15, 1920.

	Storage space, square feet, general and regimental.	Vehicle sheds, square feet.	Number of hospital beds.	Rifle ranges.
<b>NATIONAL ARMY CAMP.</b>				
Custer.....	181,720	313,782	1,000	For one division.
Devens.....	181,720	344,482	1,000	Do.
Dix.....	189,560	334,704	1,000	Do.
Dodge.....	195,440	334,182	500	Do.
Funston.....	195,440	335,226	None.	Do.
Gordon.....	191,520	334,182	500	Do.
Grant.....	193,480	332,616	1,000	Do.
Jackson.....	197,400	334,704	1,000	Do.
Lee.....	201,320	337,314	1,000	Do.
Lewis.....	207,200	340,968	1,000	Do.
Meade.....	193,480	328,962	1,000	Do.
Pike.....	195,440	334,704	500	Do.
Sherman.....	189,560	331,572	1,000	Do.
Taylor.....	201,320	337,614	1,000	Do.
Travis.....	197,400	337,270	1,000	Do.
Upton.....	193,480	345,742	1,000	Do.
<b>NATIONAL GUARD CAMP.</b>				
Beauregard.....	150,000	12,960	500	For one division.
Bowie.....	150,000	22,560	800	Do.
Cody.....	150,000	12,960	800	Do.
Doniphan.....	150,000	12,960	800	Do.
Fremont.....	150,000	12,960	500	Do.
Greene.....	150,000	12,960	1,000	Do.
Hancock.....	150,000	12,960	800	Do.
Kearney.....	150,000	12,960	500	Do.
Logan.....	150,000	12,000	500	Do.
MacArthur.....	150,000	12,000	800	Do.
McClellan.....	150,000	12,960	1,000	Do.
Sevier.....	150,000	12,960	500	Do.
Shelby.....	150,000	11,920	500	Do.
Sheridan.....	150,000	12,960	800	Do.
Wadsworth.....	150,000	12,960	1,000	Do.
Wheeler.....	150,000	12,960	500	Do.

JANUARY 14, 1920.

The SECRETARY OF WAR,  
Washington, D. C.

MY DEAR MR. SECRETARY: In response to my letter to you dated December 24, calling for certain data relating to the total cost to the Government of the National Army cantonments and the National Guard camps, I am to-day in receipt of a letter dated January 15, from Gen. R. C. Marshall, jr., Chief of Construction Division, which does not help the committee very much, for the reason that the statement attached, purporting to show the total cost, do, in fact, show only allotments, and do not show actual expenditures or costs, and for the further reason that the Construction Division states that the payments for transportation of construction materials were made through the office of the Director of Finance, and detailed records do not show such payments segregated under the headings of individual camp construction.

What the committee desires to know is, first, Is the committee to be left with the understanding that this response is all the information which the War Department can furnish to this committee of Congress, relative to the actual total cost of these projects? Second, Is this committee to understand that this answer to its letter to you of December 24, is all the information which this committee of Congress can obtain from your department relative to the payment of transportation charges and all other items of cost to the Government, which were, in fact, the cost of construction of these cantonments and projects though not paid by the Government through the contractor?

It must be evident to you that until these items, in approximate correctness, are obtained, it is impossible for us to know what, in fact, is the actual cost of these projects to the people of the United States.

This committee is very anxious to close this portion of its hearings, and submit a report on the work already done, and, therefore, the committee will greatly appreciate a very prompt response to the foregoing.

Very respectfully,

JOHN C. MCKENZIE,  
Chairman Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department.

WAR DEPARTMENT,  
OFFICE OF THE CONSTRUCTION DIVISION OF THE ARMY.  
Washington, D. C., January 19, 1920.

From: Chief of Construction Division.

To: Col. H. C. Smithers, Assistant Director of Purchase, Storage and Traffic, room 2026 Munitions Building, Washington, D. C.

As requested in your letter of January 10, we give below a suggested draft of a letter for the Secretary of War.

1. Referring to a letter dated January 14 from the chairman of subcommittee No. 2, concerning data supplied to him in response to his letter of December 24, in which he called for a total cost to the Government of the 16 National Army cantonments and of the 16 National Guard camps.

First. On January 15 information on this subject was furnished by the Chief of Construction Division, which showed in each case the cost of the camp to December 31, 1919. The information furnished is rather more in detail than was requested, and this undoubtedly led to the belief that only the allotments had been reported, whereas you will find by examining the tables again that not only are the allotments reported but the tables also show the expenditures under the various allotments. The specific information requested by you as regards a differentiation between the cost of shelter, outside utilities, and other features can not be specifically answered, because accounts were not kept so as to show the particular information which you desire at this time, but the accounts were kept so as to permit of the accounting for funds under the various appropriations as set down by Congress. The tables furnished show the total cost, and by this we mean the money expended at the project by the officer in charge of construction at each project.

Second. The information which has been furnished shows the entire cost to the Government not only of all payments made through the contractor but of those made directly by the Government at each project. They do not show transportation charges, as such charges were eliminated from the contract and were paid in Washington in order that the Government might secure the benefit of land-grant road freight rates and such other advantages as accrue from handling transportation charges in a central office. It should also be understood that these tables do not show any of the overhead of the Washington offices of either the War Department or any other department of the Government. We received help from practically all branches, departments, and bureaus of the Government during the war, and a complete answer to your question would involve a statement showing that part of the cost of operating these governmental agencies which should be apportioned to each camp and cantonment.

2. Should you require additional information and should you express definitely just what the information desired is we shall gladly furnish it if it is in our possession. We trust, however, that you will bear in mind that these projects were completed in record-breaking time, and that it was not practicable to take the time to compile a cost-keeping manual or to organize cost-keeping forces which would enable us to answer any question concerning the minor details of construction which might be raised several years after the actual performance of the work. It is patent that under any cost-keeping system which might have been instituted it would still be possible to ask apparently simple questions which the system would not suffice to answer.

R. C. MARSHALL, Jr.,  
Brigadier General, United States Army,  
Chief of Construction Division.

Mr. MCKENZIE. We next desire to have printed the letter of the Chief of the Construction Division, dated January 15, 1920, a response to a letter of the chairman of this committee, dated January 6, 1920,



giving the present personnel of the Construction Division, both officers and civilian employees, together present rank, status, when entered the Construction Division and rank at the date of the signing of the armistice; and as to the civilian employees who were formerly officers of the divisions and salaries, as such officers and their present salaries.

(The documents above referred to are here printed in full in the record, as follows:)

**WAR DEPARTMENT,**  
**OFFICE OF THE CONSTRUCTION DIVISION OF THE ARMY,**  
*Washington, D. C., January 15, 1920.*

From: Chief of Construction Division.

To: Hon. W. J. Graham, chairman of Select Committee on War Expenditures, Washington, D. C.

Attention Hon. J. C. McKenzie, Chairman of Subcommittee No. 2.

1. As requested in your letter of January 6 we attach hereto a list of all officers at present in the Construction Division. This list shows the present rank, the date the officers entered the Construction Division, the status just prior to entering the Construction Division, and the rank of each on November 11, 1918. The rank and corps as of April 6, 1917, is shown in red ink in those cases only where men were officers at that date.

2. We attach hereto a photostat showing a list of all civilian employees now in the Construction Division who were formerly commissioned officers. This list shows the highest rank held, the pay of such rank, the present pay, the date of discharge, the duties previously performed, the duties performed as a commissioned officer, and the present duties.

3. The request in your letter of January 6th blankets the information asked for in your letter of December 30, which requested simply a roster of our officers and their rank at the time of the signing of the armistice. We have, therefore, not prepared an additional statement to cover the December 30 request.

**R. C. MARSHALL, JR.,**  
*Brigadier General, United States Army,*  
*Chief of Construction Division.*

*Roster of officers of construction division of the Army as of Jan. 10, 1920.*

Name.	Present rank.	Date entering Construction Division.	Status when entering Construction Division.	Rank on Nov. 11, 1918.
Marshall, R. C., Jr.....	Brigadier general, R. A.	May —, 1917	Captain, C. A. C..	Brigadier general, R. A.
Butler, Millard A.....	Colonel, Q. M. C....	June 6, 1917	Civilian.....	Colonel, Q. M. C.
Corbin, Clifford L.....	Colonel, F. A., R. A.	Apr. 24, 1919	Captain, colonel, F. A., C. A. C.	Colonel, F. A., R. A.
Ellicott, Edward B.....	Colonel, C. W. S..	Jan. 3, 1918	Civilian.....	Major, Q. M. C.
Hartman, C. D.....	Colonel, R. A.....	Nov. 9, 1917	First lieutenant, captain, Q. M. C., Inf.	Colonel, R. A.
Johnson, G. A.....	Colonel, U. S. A....	June 17, 1918	Civilian.....	Lieutenant colonel, Q. M. C.
Lamphere, Frank E.....	Colonel, Q. M. C....	June 15, 1917	.....do.....	Colonel, Q. M. C.
Lathbury, B. B.....	.....do.....	Dec. 27, 1917	Major, Ord.....	Major, Ord.
Shelby, Evan.....	.....do.....	June 6, 1917	Civilian.....	Colonel, Q. M. C.
Solomon, G. R.....	Colonel, U. S. A....	Feb. 19, 1918	.....do.....	Major, Q. M. C.
Trask, Geo. F. D.....	Colonel, Q. M. C....	July 26, 1917	.....do.....	Lieutenant colonel, Q. M. C.

## Roster of officers of construction division of the Army as of Jan. 10, 1920—Con.

Name.	Present rank.	Date entering Construction Division.	Status when entering Construction Division.	Rank on Nov. 11, 1918.
Whitside, W. W.....	Colonel, F. A., R. A.	June 5, 1919	Captain, colonel, F. A., Cav.	Colonel, F. A., R. A.
Calvert, Louis L.....	Lieutenant colonel, Q. M. C.	Aug. 6, 1917	Civilian	Lieutenant colonel, Q. M. C.
Chamberlain, Fidelio G.....	do.	Aug. 10, 1917	do.	Do.
Couper, William.....	do.	June 6, 1917	do.	Do.
Danielson, W. A.....	Lieutenant colonel, F. A., R. A.	July 28, 1919	First lieutenant, lieutenant colonel, F. A., C. A.	Lieutenant colonel, F. A., R. A.
Davis, Bowers.....	Lieutenant colonel, Inf., R. A.	Jan. 30, 1919	Captain, lieutenant colonel, Inf.	Lieutenant colonel, Inf., R. A.
Henwood, Walter L.....	Lieutenant colonel, Q. M. C.	July 19, 1917	Civilian	Lieutenant colonel, Q. M. C.
Morden, Earl B.....	do.	June 6, 1917	do.	Do.
O'Brien, Arthur A.....	do.	Apr. 12, 1918	do.	Major, Q. M. C.
Prichett, Wm. B.....	Lieutenant colonel, Ord.	Feb. 21, 1918	Major, Ord.	Major, Ord.
Wheaton, F. B.....	Lieutenant colonel, Q. M. C.	June 6, 1917	Civilian	Lieutenant colonel, Q. M. C.
Alger, Richard W.....	Major, Q. M. C.	Nov. 10, 1917	First lieutenant, E. R. C.	Captain, Engr.
Armitage, G. W.....	do.	July 12, 1919	Major, Q. M. C.	Major, Q. M. C.
Ashby, W. B.....	do.	Jan. 18, 1918	Civilian	Captain, Q. M. C.
Berry, Edmond J.....	Major, Engr.	Feb. 21, 1918	do.	Major, Engr.
Bennett, Ira F.....	Major, Q. M. C.	Mar. 28, 1918	First lieutenant, E. N. A.	Captain, Q. M. C.
Blissell, Howard C.....	do.	Sept. 21, 1917	Civilian	Do.
Blanchard, Wm.....	do.	May 23, 1918	do.	Major, Q. M. C.
Bonner, Robert.....	do.	Jan. 18, 1918	Captain, Q. M. E. C.	Do.
Briggs, E. W.....	do.	July 24, 1917	do.	Do.
Brower, I. C.....	do.	May 18, 1918	Civilian	Do.
Bundy, Ora.....	do.	Feb. 23, 1918	Capt. in E. R. C.	Captain, Engr.
Burnett, Geo. C.....	do.	June 15, 1917	Civilian	Major, Q. M. C.
Cass, R. H.....	do.	July 11, 1918	do.	Captain, Q. M. C.
Cassidy, Wm.....	do.	Sept. 26, 1919	Major, Q. M. C.	Do.
Charles, Walter T.....	do.	June 28, 1917	Civilian	Major, Q. M. C.
Christensen, G. A.....	do.	May 18, 1917	do.	Do.
Derschimer, A. F.....	do.	Apr. 13, 1918	do.	Captain, Q. M. C.
Dickinson, W. B.....	do.	June 5, 1918	do.	Do.
Doten, L. S.....	do.	June 1, 1917	do.	Major, Q. M. C.
Doyle, Alex. C.....	do.	July 11, 1917	Major, S. C. N. G.	Do.
Dunstan, Edwin V.....	do.	Aug. 26, 1918	Civilian	Do.
Eastwood, H. E.....	Major, F. A.	Oct. 25, 1919	Major, F. A.	Major, F. A.
Foster, C. M.....	Major, Q. M. C.	Mar. 4, 1918	Civilian	Captain, Q. M. C.
George, E. M.....	Major, Inf.	Apr. 19, 1919	Major, Inf.	Major, Inf.
Gibbs, Geo., Jr.....	Major, Q. M. C.	Sept. 21, 1917	Civilian	Major, Q. M. C.
Gilman, J. A.....	Major, Engr.	Dec. 4, 1918	Major, E. R. C.	Major, Engr.
Gonser, G. J.....	Major, Inf., R. A.	Jan. 29, 1919	First lieutenant, major, Inf.	Major, Inf., R. A.
Green, H. L.....	Major, Q. M. C.	June 10, 1918	Civilian	Captain, Q. M. C.
Greene, Clarence H.....	do.	July 11, 1917	Major, R. L. N. G.	Major, Q. M. C.
Henke, F. C.....	do.	June 10, 1919	Major, Q. M. C.	Do.
Heustis, G. F.....	do.	Oct. 27, 1917	Civilian	Major, Q. M. C.
Hussong, H. J.....	do.	Oct. 11, 1918	do.	Captain, Q. M. C.
Johnson, R. W.....	do.	May 18, 1917	do.	Do.
Jones, John P.....	do.	Dec. 19, 1917	Captain, Q. M. R. C.	Major, Q. M. C.
Kane, Frank M.....	do.	Jan. 9, 1918	do.	Captain, Q. M. C.
Kinck, J. H.....	do.	July 16, 1918	Civilian	Major, Q. M. C.
Klugel, H. A.....	do.	Jan. 10, 1918	do.	Captain, Q. M. C.
Love, Henry K.....	do.	July 19, 1917	do.	Major, Q. M. C.
Lumsden, Hugh J.....	do.	Apr. 6, 1918	do.	Captain, Q. M. C.
McPadden, M. A.....	do.	Aug. 6, 1918	Captain, Q. M. R. C.	Do.
Mallory, P. H.....	do.	Nov. 17, 1917	Second lieutenant, Q. M. C. N. A.	Do.
Merillat, L. A.....	Major, Inf., R. A.	Feb. 14, 1919	First lieutenant, major, Inf.	Major, Inf., R. A.
Moeller, Edward H.....	Major, Q. M. C.	Aug. 4, 1917	Captain, E. R. C.	Captain, Engr.
Moen, John D.....	do.	May 16, 1918	Civilian	Major, Q. M. C.
Nelson, Samuel L.....	do.	July 19, 1917	Captain, Q. M. R. C.	Do.
Newton, T. S.....	do.	Oct. 16, 1918	Civilian	Do.
Overn, James J.....	Major, Engr.	Feb. 23, 1918	Major, E. R. C.	Major, Engr.
Porter, H. F.....	Major, Q. M. C.	Aug. 24, 1917	Civilian	Captain, Q. M. C.
Radcliffe, Wm. H.....	do.	Jan. 3, 1918	do.	Major, Q. M. C.
Richards, Wm. R.....	do.	Nov. 8, 1918	do.	Captain, Q. M. C.
Rider, W. J.....	do.	Mar. 4, 1918	Second lieutenant, Q. M. C. N. A.	Do.
Riley, F. J.....	Major, Inf., R. A.	Mar. 18, 1919	First lieutenant, major, Inf.	Major, Inf., R. A.
Schnitta, J. J.....	Major, Q. M. C.	July 18, 1918	Civilian	Captain, Q. M. C.

## Roster of officers of construction division of the Army as of Jan. 10, 1920—Con.

Name.	Present rank.	Date entering Construction Division.	Status when entering Construction Division.	Rank on Nov. 11, 1918.
Scott, R. E.	Major, Q. M. C.	Aug. 4, 1917	Captain, Ohio N. G.	Major, Q. M. C.
Scott, Wm. McK.	do.	Oct. 25, 1917	Civilian	Do.
Shaw, F. D.	do.	Feb. 23, 1918	Captain, E. R. C.	Captain, Engr.
Simonds, Fred. P.	do.	Feb. 14, 1918	Civilian	Major, Q. M. C.
Starr, F. C.	do.	Feb. 20, 1918	do.	Captain, Q. M. C.
Sullivan, J. F.	do.	Mar. 2, 1918	do.	Major, Q. M. C.
Swallow, W. A.	do.	Sept. 6, 1917	do.	Do.
Sweeney, Harry C.	do.	Aug. 6, 1918	do.	Do.
Thom, L. G.	do.	Mar. 29, 1919	Captain, Q. M. C.	Captain, Q. M. C.
Thomas, Elmer G.	do.	June 29, 1917	Civilian	Major, Q. M. C.
Thompson, Karl J.	do.	Aug. 7, 1919	Major, Q. M. C.	Do.
Tripp, L. H.	do.	June 11, 1917	Civilian	Do.
Wadsworth, H. A.	Major, Inf. R. A.	Sept. 22, 1919	First lieutenant, major, Inf.	Major, Inf. R. A.
Warner, Murray	Major, Q. M. C.	Oct. 27, 1917	Civilian	Major, Q. M. C.
Watson, F. B.	Major, Inf. R. A.	June 17, 1919	Major, Inf.	Major, Inf. R. A.
Weakley, Raymond D.	Major, Q. M. C.	Oct. 11, 1919	Major, Q. M. C.	Major, Q. M. C.
Weirbach, C. D.	do.	Oct. 18, 1918	Civilian	Captain, Q. M. C.
Werth, James R.	do.	Aug. 4, 1917	Captain, E. R. C.	Major, Q. M. C.
Wharton, Ira J.	Major, T. C.	Oct. 1, 1919	Major, T. C.	Captain, Q. M. C.
Wheeler, R. C.	Major, Q. M. C.	Aug. 13, 1918	Civilian	Do.
Whitelaw, Maxwell	do.	Feb. 14, 1918	do.	Do.
Will, Geo. G.	do.	May 8, 1918	do.	Major, Q. M. C.
Yancey, J. P.	Major, Cav. R. A.	Sept. 25, 1919	First lieutenant, Maj, Cav.	Major, N. A.
Addington, J. C.	Captain, Inf.	Oct. 15, 1919	Captain, Inf.	Captain, Inf.
Allen, R. C.	Captain, Q. M. C.	Aug. 24, 1918	Civilian	Captain, Q. M. C.
Alverson, J. L.	do.	July 3, 1918	do.	Do.
Amory, Eugene E.	do.	Apr. 19, 1918	do.	Do.
Andrews, Henry B.	do.	Nov. 8, 1918	do.	First lieutenant, Q. M. C.
Antonovich, Emile P.	do.	Mar. 23, 1918	do.	Captain, Q. M. C.
Armstrong, E. S.	do.	Aug. 6, 1918	First lieutenant, Q. M. C. N. A.	First lieutenant, Q. M. C.
Basye, Elijah M.	do.	Mar. 23, 1918	Civilian	Captain, Q. M. C.
Bazire, Chas. I.	do.	Mar. 4, 1918	First lieutenant, Q. M. C. N. A.	Do.
Beard, R. S.	do.	Oct. 23, 1918	Civilian	Do.
Bennett, H., Jr.	do.	Aug. 6, 1918	First lieutenant, Q. M. C. N. A.	First lieutenant, Q. M. C.
Blair, R. A.	do.	Feb. 23, 1918	Civilian	Captain, Q. M. C.
Boatman, Frank J.	do.	July 19, 1917	Captain, Q. M. R. C.	Do.
Booth, F. H.	do.	Aug. 2, 1918	Civilian	Do.
Boykin, R. P.	do.	Apr. 12, 1918	do.	Do.
Brady, C. D.	do.	Aug. 17, 1918	do.	Do.
Bramlitt, R. M.	do.	July 14, 1917	Captain, Q. M. R. C.	Do.
Brandon, A. J.	do.	June 15, 1918	Civilian	First lieutenant, Q. M. C.
Brown, W. E.	do.	Mar. 4, 1918	Second lieutenant, Q. M. C.	Do.
Burch, C. B.	do.	Apr. 19, 1918	Civilian	Captain, Q. M. C.
Cole, D.	do.	Oct. 15, 1918	do.	First lieutenant, Q. M. C.
Converse, C. C.	do.	June 26, 1918	do.	Captain, Q. M. C.
Cooley, W. M.	Captain, Cav. R. A.	Apr. 29, 1919	Captain, Cav.	Captain, Cav. R. A.
Craven, Walter G.	Captain, Q. M. C.	July 19, 1917	Captain, N. C. N. G.	Captain, Q. M. C.
Dalley, F. A.	Captain, Engr.	Jan. 11, 1918	Civilian	Captain, Engr.
Devlin, J. J.	do.	Oct. 26, 1919	Captain, Engr.	Do.
Dignowity, Edward H.	do.	Apr. 6, 1918	Captain, E. R. C.	Do.
Dole, W. S.	Captain, Q. M. C.	Sept. 27, 1918	Civilian	Captain, Q. M. C.
Dunn, D. J.	do.	Aug. 11, 1917	Second lieutenant, E. R. C.	Do.
Ellison, J. Huyler	do.	Oct. 28, 1918	Civilian	Do.
Enquist, A. Fred	do.	Nov. 9, 1918	do.	Do.
Erck, Alfred H.	do.	Oct. 8, 1917	Captain, Inf.	Major, Q. M. C.
Fairbanks, Adolph S.	Captain, Engr.	Oct. 14, 1919	Captain, Engr.	Captain, Engr.
Field, Harvey R.	Captain, Q. M. C.	Feb. 14, 1918	Civilian	Captain, Q. M. C.
Field, E. B.	do.	Apr. 13, 1918	First lieutenant, Engr.	Do.
Flinn, Wilmer M.	do.	July 20, 1917	Captain, Ala. N. G.	Do.
Foley, George J.	Captain, Engr.	Oct. 25, 1919	Captain, Engr.	Captain, Engr.
Gamble, Claude L.	Captain, Q. M. C.	June 15, 1918	Enlisted man	Second lieutenant, Q. M. C.
Gates, Norley	do.	Mar. 7, 1918	First lieutenant, Q. M. C.	Captain, Q. M. C.
Glossinger, Louis W.	do.	Oct. 10, 1917	Civilian	Do.
Godwin, Harold O.	do.	May 11, 1918	do.	Do.
Good, Arthur F.	do.	Nov. 8, 1918	do.	Do.
Goodwyn, Maude M.	Captain, Inf.	Oct. 25, 1919	Captain, Inf.	Captain, Inf.
Guthrie, R. R.	Captain, S. C.	July 30, 1919	Captain, S. C.	Captain, S. C.

*Roster of officers of construction division of the Army as of Jan. 10, 1920—Con.*

Name.	Present rank.	Date entering Construction Division.	Status when entering Construction Division.	Rank on Nov. 11, 1918.
Hall, B. M.	Captain, Q. M. C.	Oct. 30, 1918	Civilian	Captain, Q. M. C.
Hammond, John M.	do.	May 16, 1918	do.	Do.
Harrington, F. C.	do.	Feb. 14, 1918	do.	Do.
Hazlehurst, J. G.	do.	July 16, 1918	First lieutenant, Q. M. C. N. A.	First lieutenant, Q. M. C.
Hird, Fred S.	do.	July 29, 1917	Captain, Iowa N. G.	Captain, Q. M. C.
Hockman, Maurice A.	do.	Dec. 3, 1917	Captain, S. D. N. G.	Do.
Hollingsworth, Walter G.	do.	Oct. 29, 1917	Second lieutenant, Q. M. R. C.	First lieutenant, Q. M. C.
Hooks, Ira J.	do.	May 18, 1917	Captain, Q. M. R. C.	Captain, Q. M. C.
Howe, W. Frank.	do.	Aug. 4, 1917	First lieutenant, E. R. C.	Do.
Howe, Wilson T.	do.	May 6, 1918	Civilian	Do.
Howland, Wilson J.	do.	Apr. 11, 1918	do.	Do.
Hoyt, Sidney M.	do.	July 10, 1918	do.	Do.
Hunter, R. W.	Captain, Engr.	Oct. 25, 1919	Captain, Engr.	First lieutenant, Engr.
Huston, H. B.	Captain, Q. M. C.	July 14, 1917	Captain, N. G.	Captain, Q. M. C.
Imeson, Chas. V.	do.	Oct. 15, 1918	Civilian	Do.
Jacobsen, John H.	do.	Apr. 13, 1918	do.	Do.
Jarvis, C. S.	Captain, Engr.	June 20, 1919	Captain, Engr.	Captain, Engr.
Kafer, Marvin.	Captain, Inf.	Aug. 7, 1919	Captain, Inf.	Captain, Inf.
Katz, William P.	Captain, C. W. S.	June 10, 1919	Captain, C. W. S.	Captain, C. W. S.
Kinble, R. F.	Captain, Q. M. C.	Mar. 8, 1918	Captain, Q. M. R. C.	Captain, Q. M. C.
King, W. S.	do.	Oct. 3, 1919	Captain, Q. M. C.	Do.
Kitchen, Ernest	do.	Feb. 23, 1918	First lieutenant, E. R. C.	Do.
Kohlwes, H.	do.	May 18, 1917	Civilian	Do.
Lamb, G. E.	do.	May 11, 1918	do.	Do.
Larrabee, Chas. H.	do.	June 29, 1917	do.	Do.
Leake, Stuart C.	do.	July 19, 1917	do.	Do.
Letts, Joe C.	Captain, Engr.	Feb. 9, 1918	Captain, E. R. C.	Captain, Engr.
Lyon, Geo. J.	do.	Aug. 3, 1917	Civilian	Do.
MacDonald, Henry J.	Captain, Q. M. C.	Oct. 18, 1918	do.	Captain, Q. M. C.
McCahill, P. B.	Captain, Inf.	Oct. 25, 1919	Captain, Inf.	Captain, Inf.
Markel, Jules W.	Captain, Q. M. C.	Nov. 18, 1918	Captain, Q. M. C.	Captain, Q. M. C.
Marshall, R. J.	Captain, F. A., R. A.	June 19, 1919	Second lieutenant, captain, F. A., F. A.	Captain, F. A., R. A.
Mechling, Edward A.	Captain, Q. M. C.	Sept. 12, 1919	Captain, Q. M. C.	First lieutenant, Q. M. C.
Metz, Chas. C.	do.	Mar. 23, 1918	Enlisted man	Captain, Q. M. C.
Miller, Michael E.	do.	Mar. 7, 1918	Captain, Q. M. R. C.	Do.
Moss, L. H.	do.	July 2, 1918	Civilian	Do.
Mott, Thomas B.	Captain, Engr.	Sept. 10, 1917	do.	Captain, Engr.
Nicholson, Alex. McD.	Captain, Q. M. C.	Mar. 12, 1918	First lieutenant, Q. M. C.	Captain, Q. M. C.
Nicolet, T. W.	do.	May 8, 1918	Civilian	Do.
Nurse, H. B.	do.	Dec. 14, 1917	do.	Do.
O'Connor, Maurice	Captain, Engr.	Feb. 23, 1918	First lieutenant, E. R. C.	Captain, Engr.
Older, Chas. W.	Captain, Q. M. C.	Aug. 6, 1918	First lieutenant, Q. M. C.	First lieutenant, Q. M. C.
Osterman, J. H.	do.	May 18, 1918	Civilian	Captain, Q. M. C.
Parrott, Joseph N.	do.	May 17, 1918	do.	Do.
Perkins, Lewis B.	do.	Nov. 6, 1918	do.	Do.
Peters, Frank C.	do.	Mar. 23, 1918	do.	Do.
Pottelger, C. R.	do.	Aug. 6, 1918	First lieutenant, Q. M. C.	First lieutenant, Q. M. C.
Proctor, Arthur B.	do.	Oct. 11, 1919	Captain, Q. M. C.	Captain, Q. M. C.
Renwick, Wm. R.	do.	May 22, 1918	Civilian	Do.
Richardson, J. F.	do.	June 29, 1917	do.	Do.
Roerschlaub, Joseph M.	do.	May 29, 1918	do.	Do.
Schoonhoven, Ray C.	do.	July 26, 1918	Enlisted man	First lieutenant, Q. M. C.
Schwaneffugel, Chas. A.	do.	Feb. 14, 1918	Civilian	Captain, Q. M. C.
Seymour, Horatio.	do.	May 11, 1918	First lieutenant, Ord.	Do.
Sheble, E. K.	do.	Mar. 23, 1918	Civilian	Do.
Sjovall, A. H.	do.	Feb. 14, 1918	do.	Do.
Small, L. S.	do.	Aug. 1, 1918	do.	Do.
Smith, Fred A.	do.	May 18, 1917	do.	Do.
Smith, Wirt F.	do.	May 24, 1918	do.	Do.
Soltau, David L.	Captain, A. S.	Apr. 19, 1919	First lieutenant, A. S.	First lieutenant, A. S.
Spink, Edward F.	Captain, Q. M. C.	Aug. 15, 1917	Student, Fort Snelling, Minn., Training Camp.	Captain, Q. M. C.
Stanley, H.	do.	May 2, 1918	Captain, N. G.	Do.
Stecker, H. A.	do.	Sept. 12, 1918	Civilian	Do.
Steele, Geo. H.	do.	July 19, 1917	do.	Do.

## Roster of officers of construction division of the Army as of Jan. 10, 1920—Con.

Name.	Present rank.	Date entering Construction Division.	Status when entering Construction Division.	Rank on Nov. 11, 1918.
Stemmler, Theodore W.	Captain, Q. M. C.	Oct. 14, 1918	Civilian.	First lieutenant, Q. M. C.
Stone, A. E.	do.	July 9, 1918	do.	Captain, Q. M. C.
Sumner, Walter A.	do.	Mar. 1, 1918	First lieutenant, E. R. C.	Do.
Sumpter, J. E.	do.	Oct. 24, 1918	Civilian.	First lieutenant, Q. M. C.
Tate, Albert.	Captain, F. A., R. A.	Aug. 5, 1919	Captain, F. A.	Captain, F. A., R. A.
Thomson, F. K.	Captain, Q. M. C.	Apr. 15, 1918	Civilian.	Captain, Q. M. C.
True, Albert O.	Captain, Engr.	Oct. 13, 1919	Captain, Engr.	Captain, Engr.
Vandervoort, Benj. F.	do.	Feb. 23, 1918	Captain, E. R. C.	Do.
Van Meter, Wm. W.	Captain, Q. M. C.	Oct. 24, 1918	Civilian.	Captain, Q. M. C.
Van Winkle, W. H., Jr.	do.	July 24, 1918	do.	First lieutenant, Q. M. C.
Walker, G. L.	do.	Sept. 12, 1918	do.	Captain, Q. M. C.
Walsh, R. F.	Captain, Inf., R. A.	Sept. 25, 1919	First lieutenant, captain, Inf.	Captain, Inf., R. A.
Warren, Henry D.	Captain, Q. M. C.	Aug. 10, 1917	Civilian.	Captain, Q. M. C.
Weale, F. W.	do.	July 10, 1918	First lieutenant, Q. M. C.	First lieutenant, Q. M. C.
Wheeler, Edward W.	do.	Aug. 19, 1918	Civilian.	Captain, Q. M. C.
White, Will E.	Captain, Engr.	Oct. 30, 1917	do.	Captain, Engr.
Williams, H. N.	Captain, Q. M. C.	Mar. 15, 1918	First lieutenant, Q. M. C.	First lieutenant, Q. M. C.
Williams, Seeley	do.	July 10, 1918	Civilian.	Captain, Q. M. C.
Wood, Albert E.	Captain, Engr.	Feb. 18, 1918	Captain, E. R. C.	Captain, Engr.
Worrell, M. L.	Captain, Q. M. C.	July 26, 1918	Civilian.	Captain, Q. M. C.
Adler, F. T.	First lieutenant, Q. M. C.	Oct. 14, 1918	do.	First lieutenant, Q. M. C.
Anderson, E.	do.	Aug. 14, 1919	First lieutenant, Q. M. C.	Do.
Andrews, James W.	First lieutenant, F. A., R. A.	Aug. 11, 1919	First lieutenant, F. A.	First lieutenant, F. A., R. A.
Baird, E. E.	First lieutenant, Q. M. C.	Sept. 16, 1918	Civilian.	First lieutenant, Q. M. C.
Barker, E. S.	First lieutenant, Inf.	Apr. 19, 1919	First lieutenant, Inf.	First lieutenant, Inf.
Brill, Clinton B. F.	First lieutenant, F. A.	Oct. 13, 1919	First lieutenant, F. A.	First lieutenant, F. A.
Cannon, Geo. D.	First lieutenant, Q. M. C.	Aug. 24, 1918	First lieutenant, Inf.	First lieutenant, Q. M. C.
Carroll, J. C.	do.	Oct. 21, 1918	Enlisted man.	Second lieutenant, Q. M. C.
Cherry, N. H.	do.	Aug. 30, 1918	do.	Do.
Childs, Fred S.	do.	Aug. 7, 1918	do.	First lieutenant, Q. M. C.
Chrystal, H. T.	do.	Aug. 19, 1918	Civilian.	Do.
Dorsey, S. L.	do.	June 28, 1918	do.	Second lieutenant, Q. M. C.
Drischler, Francis	First lieutenant, Engr.	Oct. 18, 1919	First lieutenant, Engr.	First lieutenant, Engr.
Farmer, John	First lieutenant, Q. M. C.	Sept. 3, 1918	First lieutenant, Q. M. C.	First lieutenant, Q. M. C.
Farley, J. L.	First lieutenant, Inf.	Apr. 1, 1919	First lieutenant, Inf.	First lieutenant, Inf.
Fenton, R. T.	do.	Aug. 18, 1919	do.	Do.
Franks, J. B.	First lieutenant, F. A.	June 25, 1919	First lieutenant, F. A.	First lieutenant, F. A.
Frickelton, Frank S.	First lieutenant, Q. M. C.	Oct. 21, 1918	Civilian.	First lieutenant, Q. M. C.
Graham, G. A.	First lieutenant, Engr.	Oct. 13, 1919	First lieutenant, Engr.	First lieutenant, Engr.
Hartman, G. E.	First lieutenant, F. A.	July 16, 1919	First lieutenant, F. A.	First lieutenant, F. A.
Horrigan, W. J.	First lieutenant, Q. M. C.	Sept. 21, 1918	Civilian.	First lieutenant, Q. M. C.
Hulse, S. W.	First lieutenant, Engr.	Nov. 8, 1919	First lieutenant, Engr.	First lieutenant, Engr.
Jones, Chas. E.	First lieutenant, Q. M. C.	Sept. 12, 1918	Civilian.	First lieutenant, Q. M. C.
Jones, H. W.	do.	Nov. 4, 1918	Enlisted man.	Second lieutenant, Q. M. C.
Jouannet, Francis L.	do.	Oct. 29, 1918	do.	First lieutenant, Q. M. C.
Kramer, Joseph	do.	Oct. 28, 1918	do.	Do.
Kuhn, F. H.	do.	Nov. 7, 1918	do.	Second lieutenant, Q. M. C.
Laramey, F. E.	do.	Aug. 6, 1918	First lieutenant, Q. M. C.	First lieutenant, Q. M. C.
Moore, C. M.	do.	Aug. 9, 1918	Civilian.	Do.
Mustain, A. B.	do.	May 17, 1918	do.	Do.

*Roster of officers of construction division of the Army as of Jan. 10, 1920—Con.*

Name.	Present rank.	Date entering Construction Division.	Status when entering Construction Division.	Rank on Nov. 11, 1918.
Osborn, R. O.....	First Lieutenant, Q. M. C.	Aug. 15, 1918	Enlisted man.....	Second Lieutenant, Q. M. C.
Schäufele, H. J.....	do.....	Oct. 25, 1919	First Lieutenant, C. W. S.	First Lieutenant, C. W. S.
Sears, Stanley.....	do.....	Oct. 29, 1918	Civilian.....	Second Lieutenant, Q. M. C.
Shivers, Wm. E.....	do.....	Mar. 21, 1918	Second Lieutenant, E. E. C.	First Lieutenant, Q. M. C.
Shockley, H. G.....	First Lieutenant, Engr.	May 26, 1919	First Lieutenant, Engr.	First Lieutenant, Engr.
Simpson, L. L.....	First Lieutenant, Q. M. C.	Aug. 6, 1918	Second Lieutenant, Q. M. C.	First Lieutenant, Q. M. C.
Skellie, Chas. H.....	do.....	Sept. 25, 1918	First lieutenant, Inf.	Do.
Snyder, L. G.....	First Lieutenant, F. A.	June 21, 1919	First lieutenant, F. A.	First Lieutenant, F. A.
Tighe, J. B.....	First lieutenant, Inf.	Feb. 25, 1919	First lieutenant, Inf.	First Lieutenant, Inf.
Violante, A. L.....	do.....	Jan. 13, 1919	do.....	Do.
Walters, E. J.....	First lieutenant, Q. M. C.	July 10, 1918	Civilian.....	Second Lieutenant, Q. M. C.
West, G. W.....	do.....	Mar. 17, 1919	First lieutenant, Q. M. C.	First Lieutenant, Q. M. C.
Barber, Lewis R.....	Second lieutenant, F. A.	June 2, 1919	Second lieutenant, F. A.	Second Lieutenant, F. A.
Blumberg, Israel.....	Second lieutenant, Q. M. C.	Oct. 28, 1918	Civilian.....	Second Lieutenant, Q. M. C.
Clay, E. L.....	do.....	Nov. 8, 1918	Enlisted man.....	Do.
Doyle, V. I.....	do.....	Oct. 24, 1918	do.....	Do.
Edmonds, E. W.....	do.....	Sept. 9, 1918	Civilian.....	Do.
Ekrem, T. C.....	do.....	Aug. 10, 1918	Enlisted man.....	Do.
Gates, John C.....	Second lieutenant, Inf.	June 9, 1919	Second lieutenant, Inf.	Second Lieutenant, Inf.
Gray, C. A.....	Second lieutenant, Q. M. C.	Aug. 14, 1918	Enlisted man.....	Second Lieutenant, Q. M. C.
Hunt, John A.....	do.....	Sept. 27, 1918	do.....	Do.
Hutchins, C. R.....	do.....	Aug. 13, 1918	do.....	Do.
Ide, T. N.....	Second lieutenant, F. A.	Aug. 20, 1919	Second lieutenant, F. A.	Second Lieutenant, F. A.
La Chance, Frank.....	Second lieutenant, Q. M. C.	Aug. 7, 1918	Enlisted man.....	Second Lieutenant, Q. M. C.
Massey, C. E.....	do.....	Oct. 25, 1918	do.....	Do.
Ryan, F. E.....	do.....	Sept. 20, 1918	Civilian.....	Do.
Wright, A. C.....	do.....	Sept. 27, 1918	Enlisted man.....	Do.

List of civilian employees formerly of the commissioned personnel, Construction Division of the Army.

Name.	Rank.		Present salary.	Date of discharge.	Duties.		Present.
	Highest.	Salary. <sup>1</sup>			Formerly.	As officer.	
Blocher, D. W.....	First lieutenant, Q. M. C.	\$166.67	\$183.34	1919. Oct. 31	Accounting.....	Assistant to officer in charge final settlements.	Field auditor.
Canning, H. M.....	do.	166.67	200.00	Oct. 27	Landscape architect.	Assistant officer in charge fund section.	Supervision of funds section.
Carter, Mason O.....	Second lieutenant, Q. M. C.	141.67	185.00	do.	Architect, constructor, general engineer, superintendent of construction, drafting.	Assistant C. Q. M., mechanical repair shop unit No. 304, San Antonio, Tex.	Settlement of material claims.
Dean, Leo E.....	First lieutenant, Q. M. C.	166.67	200.00	Oct. 20	General construction mechanic and general foreman.	Electrical section, Camp Jackson, Columbia, S. C.	Clerk in charge electrical section, Camp Jackson, Columbia, S. C.
Dempsey, James S.....	do.	166.67	200.00	Oct. 15	Fire department and telephones.	Fire marshal, Camp Jackson, S. C.	Superintendent of fire protection and fire fighting.
Dussean, R. K.....	Second lieutenant, Inf.	141.67	150.00	Oct. 26	do.	Assistant to utility officer, Camp Jackson, S. C., in charge of roads.	Superintendent of buildings and roads, Camp Jackson, S. C.
Fagan, Walter J.....	Captain, Q. M. C.	200.00	225.00	do.	5 years as teller and bookkeeper in bank; 3 years as secretary and president of large insurance company.	Assistant to officer in charge disposal unit; handles transfers of lumber.	Supervision of transfer of material and equipment.
Fuhr, Harry C.....	Second lieutenant, Q. M. C.	141.67	166.67	Oct. 8	Erecting steam and electrical machinery.	Superintendent heating, department utilities, Camp Dodge, Iowa.	Heating engineer.
Hartsog, Justine R.....	First lieutenant, Q. M. C.	166.67	225.00	Oct. 30	Landscape architect.	Assistant to officer in charge of funds unit.	Assistant to engineer in charge of designing and location of buildings.
Lamprecht, Wm. C.	Captain, Q. M. C.	200.00	275.00	Oct. 26	Administration, laying out policy, supervision of departments, Remington typewriter Co., 324 Brooklyn, N. Y.	Assistant to officer in charge labor matters.	Special agent for labor adjustments.
Mease, C. M.....	First lieutenant, Q. M. C.	166.67	166.67	do.	Student.	Accounting branch, acting property officer, assistant to C. Q. M., Camp Lee, Va.	Assistant property accountant.
McLeod, J. M.....	Captain, Q. M. C.	200.00	208.33	Oct. 30	Auditing and office systems.	Assistant to officer in charge procurement division, personnel officer.	Export material statistician.
Moreland, A. B.....	Major, Q. M. C.	260.00	260.00	Oct. 31	Chief clerk, Construction Division, War Department.	Assistant to officer in charge, Requirement Division.	Executive assistant in finance.
Parker, M. I.....	First lieutenant, Q. M. C.	166.67	166.67	Oct. 23	Hardware, furniture, and plumbing merchant, partner and manager.	Fire truck and hose company, general hospital No. 28, Fort Sheridan, Ill.	Fire chief, Fort Sheridan, Ill.

<sup>1</sup> Base pay only. To this should be added for commutation of quarters: Second lieutenant, \$24; first lieutenant, \$26; captain, \$48; major, \$60, and an additional allowance for heat and light ranging from \$4.73 to \$21.75 per month.

List of civilian employees formerly of the commissioned personnel, Construction Division of the Army—Continued.

Name.	Rank.		Present salary.	Date of discharge.	Formerly.	Duties.	
	Highest.	Salary.				As officer.	Present.
Rogers, Richard G....	Second lieutenant, Q. M. C.	\$141.67	\$185.00	1919 Oct. 22	Clerk in ticket accounting department, El Paso & Southwestern R. R.	Assistant to utility officer, Fort Sheridan, Ill., adjutant and acting personnel adjutant.	Assistant to officer in charge utilities.
Simpson, Frederick...	First lieutenant, Q. M. C.	166.67	225.00	Oct. 30	Handling draftsmen.....	Acts in an advisory capacity in regard to mechanical equipment for warehouses, docks and terminals.	Assistant to engineer in charge of heating and plumbing.
Simpson, J. B. ....	.....do.....	166.67	200.00	.....do.....	Commercial freight agent.....	Assistant to utility officer, Camp Hancock, Ga., property officer and executive officer.	Clerk in charge of property section at Camp Benning, Ga.
Smith, Clifford.....	Second lieutenant, Q. M. C.	141.67	166.67	Oct. 22	Sergeant, Q. M. C., Camp Joe. E. Johnson, Fla.	Electrical section, refrigerating section, walks, wharves, roads, and drains, Fort Sheridan, Ill.	Electrical superintendent.
Turner, E. A. ....	.....do.....	141.67	166.67	Oct. 25	Accountant, auditor, mine superintendent, office manager and purchasing agent.	Assistant to utility officer, purchasing and contracting officer, Camp Sevier, S. C.	Property and finance expert.
Wels, Leon C. ....	Captain, Q. M. C. ....	200.00	275.00	Oct. 28	Consulting engineer and architect.	Assistant C. Q. M., Camp Meade, Md., as property officer; later C. Q. M. and utility officer, Camp Meade.	Section supervision of accounts.
Wemple, Fred J. ....	.....do.....	200.00	275.00	Oct. 25	Electrical engineering, all branches.	Assistant to officer in charge disposal unit and assisting in the disposition of surplus material.	Supervision electric lighting layouts.
Whiting, E. E. ....	Major, Q. M. C. ....	260.00	260.00	Oct. 30	Disbursing agent for 20 years, Smithsonian Institution and Post Office Department.	Compilation of statistics; filing and monthly reports and statistical referring to the work of the entire Construction Division.	Engineer in charge of statistics and records.

Approved:

A. D. ECK,  
Captain, Q. M. C., Executive Officer, Administrative Division.



Mr. McKENZIE. We next desire to offer in evidence the letter of the chairman of the committee to the Secretary of War, dated January 14, 1920, requesting information as to wherein, if at all, the plans for the two-story barracks buildings presented by Mr. Wheaton, advisory architect, to Col. Littell, under date of May 18, 1917, differed from the two-story barracks as finally constructed.

For the record, the chairman desires to state that the blue-print plans attached to this letter are identical with sheets 11 and 12 and 11B and 12B submitted to various witnesses as of date May, 1917.

(The documents above referred to are herein printed in full in the record, as follows:)

JANUARY 14, 1920.

THE SECRETARY OF WAR,  
Washington, D. C.

DEAR MR. SECRETARY: In testimony taken before this committee there was introduced a letter from T. B. Wheaton, advisory architect, to Col. Littell, dated May 18, 1917 (A. 97), presenting a design for a two-story barracks.

Will you kindly have furnished to this committee exactly wherein that design differed from the type as finally used in cantonment construction.

Respectfully,

JOHN C. MCKENZIE,  
*Chairman Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department.*

WAR DEPARTMENT,  
OFFICE OF THE CONSTRUCTION DIVISION OF THE ARMY,  
Washington, D. C., January 19, 1920.

HON. W. J. GRAHAM,  
*Select Committee on Expenditures in the War Department,  
House of Representatives, Washington, D. C.*

MY DEAR SIR: I have just received a letter, dated January 14, 1920, from the Hon. John C. McKenzie, chairman of subcommittee No. 2 of the Select Committee on Expenditures in the War Department, referred to this division by the assistant director Purchase, Storage and Traffic Division of the General Staff, in which certain information in regard to the design for two-story barracks buildings used in the construction of the cantonments for the National Army is requested.

There are forwarded herewith blue prints of the original plans for these barrack buildings submitted to Col. Littell with a letter dated May 18, 1917, from the advisory architect of the Quartermaster General's office. These plans are numbered 11 and 12; they are accompanied by two plans marked 11-B and 12-B showing the buildings that were actually erected. The main difference in the two plans is in the size and shape of the entrance hall and in the location of the staircase. In the second story the hall is entirely omitted in the later plan. The lockers shown in the earlier plan running down the center of the building and separating the dormitories were omitted, as shown in the later plan, otherwise the plans are practically the same.

It is requested that this information be transmitted to Mr. McKenzie.

R. C. MARSHALL, JR.,  
*Brigadier General, United States Army,  
Chief of Construction Division.*

Mr. McKENZIE. We next desire to offer in evidence the letter of the chairman of the committee to the Secretary of War, dated January 5, 1919, and the Secretary of War's answer thereto, showing personnel contemplated for a division of Infantry, and additional troops at the time when the contracts for the construction of the National Army cantonments were let, during June, 1917. In this connection the chairman desires to state that the actual construction as recorded by Gen. Littell in his testimony, which exhibit is printed

elsewhere in the record, provided for a personnel averaging for the 16 National Army cantonments 40,900 men in round numbers. (The documents above referred to are herein printed in full in the record, as follows:)

ROOM 178, HOUSE OFFICE BUILDING,  
January 5, 1920.

The honorable the SECRETARY OF WAR,  
Washington, D. C.

DEAR MR. SECRETARY: On June 21, 1917, contracts were made between the United States of America, by Maj. W. A. Dempsey, Quartermaster Corps, United States Reserves (contracting officer), acting by authority of the Secretary of War, and several certain contractors, by which such contractors were to construct to completion at certain places buildings and other utilities (with certain exceptions) "for a division of Infantry," and including certain additional units, among them the following: "One telephone battalion," "1 regiment Heavy Artillery, horse drawn."

Will you kindly cause to be furnished, for the use of Subcommittee No. 2 of the Select Committee on Expenditures in the War Department, the following information:

1. What was the total personnel of a division of Infantry at that date?
2. What was the total personnel of a telegraph battalion at that date?
3. What was the total personnel of a regiment of Heavy Artillery, horse drawn, at that date?
4. What was the total number of animals required by a division of Infantry, a telegraph battalion, and a regiment of Heavy Artillery, horse drawn, each, at that date?
5. The number of each type of shelter buildings for men and animals required by such division of Infantry, such telegraph battalion, and such regiment of Heavy Artillery, as set forth in "the drawings and specifications" that were furnished for such construction under such contracts.
6. The number of each type of special buildings (not shelter for officers, men, or animals), designated in such plans and specifications, being, to-wit: All administrative buildings, storage buildings, and other buildings of special type as set forth by such "drawings and specifications" furnished to such contracting concerns.

Respectfully,

JOHN C. MCKENZIE,  
Chairman Subcommittee No. 2  
of the Select Committee on Expenditures in the War Department.

JANUARY 8, 1920.

From: Chief of Construction Division.

To: Hon. William J. Graham, chairman of Committee on War Expenditures,  
Washington, D. C.

Attention Hon. J. G. McKenzie, chairman subcommittee No. 2.

1. As requested in your letter of January 5 we give below the information requested therein:

(a) Total personnel of Infantry division June 1, 1917.....	35,882
(b) Total personnel of telegraph battalion June 21, 1917.....	225
(c) Total personnel of a regiment of Heavy Artillery, horse drawn, on June 21, 1917.....	1,372
(d) Total number of animals as of June 21, 1917, required by a division of Infantry.....	10,533
A telegraph battalion, not known.....	
A regiment of Heavy Artillery, horse drawn.....	1,464
(e) Number of each type of building used for sheltering men and animals and the number of each type of building of other descriptions, is shown on blue print No. 610-200 which is attached to your letter.	

EVAN SHELLEY,  
Colonel, Quartermaster Corps,  
Acting Chief of Construction Division.

NATIONAL ARMY CANTONMENTS, SHOWING TOTAL NUMBER, SIZE, AND USE OF BUILDINGS ERECTED UNDER ORIGINAL CONTRACT.

Total number of buildings in all units except remount stations and base hospitals.

(Compiled from plans and authorisations issued and from records of later modifications.)

Officers' quarters.																								
One story—Drawing No.—										Two story—Drawing No.—														
7										72A														
20 by 59 feet 6 inches.	20 by 70 feet.	20 by 80 feet 6 inches.	20 by 91 feet.	20 by 101 feet 6 inches.	20 by 112 feet.	20 by 122 feet 6 inches.	20 by 133 feet.	20 by 84 feet.	26	9	43	30 by 56 feet.	30 by 68 feet.	30 by 77 feet.	30 by 84 feet.	30 by 91 feet.	30 by 98 feet.	30 by 106 feet.	20 by 21 feet.	20 by 28 feet.	30 by 25 feet 6 inches.	30 by 35 feet.	20 by 56 feet.	8
Capacity.....	5	7	9	11	13	15	17	19	12	14	26	17	21	27	31	35	39	43	2	4	2	3	3	8
Camp Custer.....								9	3											1	5			1
Camp Devens.....									3											2	6			1
Camp Dix.....									3											2	6			1
Camp Dodge.....									3											2	6			1
Camp Funston.....									3											2	6			1
Camp Gordon.....									3											2	6			1
Camp Grant.....									3											2	6			1
Camp Jackson.....									3											2	6			1
Camp Lee.....									3											2	6			1
Camp Lewis.....									3											2	6			1
Camp Meade.....									3											2	6			1
Camp Pike.....									3											2	6			1
Camp Sherman.....									3											2	6			1
Camp Taylor.....									3											2	6			1
Camp Travis.....									3											2	6			1
Camp Upton.....									3											2	6			1
Total.....	16	112	336	95	652		225	49		43		16								31	89			8

## NATIONAL ARMY CANTONMENTS, SHOWING TOTAL NUMBER, SIZE, AND USE OF BUILDINGS ERRECTED UNDER ORIGINAL CONTRACT—Contd.

Total number of buildings in all units except remount stations and base hospitals—Continued.

Men's barracks (with mess).										
Two-story—Drawing No.—						One-story—Drawing No. 10.				
11	17	19A	15	21	23	13A	20 by 35 feet.	20 by 49 feet.	20 by 56 feet.	20 by 63 feet.
43 by 140 feet.	43 by 130 feet.	43 by 100 feet.	43 by 98 feet.	43 by 86 feet.	43 by 79 feet.	43 by 69 feet.	20 by 70 feet.	20 by 70 feet.	20 by 70 feet.	20 by 70 feet.
128	90	95	64	67	65	50	124	140	137	137
134	124	140	137	140	137	140	137	140	137	137
134	124	140	137	140	137	140	137	140	137	137
145	134	140	137	140	137	140	137	140	137	137
186	140	137	140	137	140	137	140	137	137	137
182	140	137	140	137	140	137	140	137	137	137
190	140	137	140	137	140	137	140	137	137	137
190	140	137	140	137	140	137	140	137	137	137
159	140	137	140	137	140	137	140	137	137	137
149	140	137	140	137	140	137	140	137	137	137
189	140	137	140	137	140	137	140	137	137	137
189	140	137	140	137	140	137	140	137	137	137
188	140	137	140	137	140	137	140	137	137	137
188	140	137	140	137	140	137	140	137	137	137
183	140	137	140	137	140	137	140	137	137	137
183	140	137	140	137	140	137	140	137	137	137
167	140	137	140	137	140	137	140	137	137	137
172	140	137	140	137	140	137	140	137	137	137
183	140	137	140	137	140	137	140	137	137	137
2,565	68	14	138	44	180	28	22	118	17	64
Total.	68	14	138	44	180	28	22	118	17	64
Capacity (500 cubic feet per man).	137	90	95	64	67	65	50	124	140	137

[illegible]

NATIONAL ARMY CANTONMENTS, SHOWING TOTAL NUMBER, SIZE, AND USE OF BUILDINGS ERECTED UNDER ORIGINAL CONTRACT—Contd.  
*Total number of buildings in all units except remount stations and base hospitals—Continued.*

Mess buildings, 1-story—Drawing No.—															Administration building, 1-story—Drawing No.—			Post exchange building, 1-story—Drawing No.—		
47															10	28	29	32A.	32C.	
	20 by 48 feet.	20 by 56 feet.	20 by 63 feet.	20 by 70 feet.	20 by 77 feet.	20 by 84 feet.	20 by 91 feet.	20 by 98 feet.	20 by 106 feet.	20 by 113 feet.	20 by 119 feet.	20 by 126 feet.	20 by 133 feet.	20 by 147 feet.	20 by 49 feet.	20 by 84 feet.	20 by 86 feet.	20 by 84 feet.	26 by 90 feet.	32 by 90 feet.
Camp Custer.....															11	18		11	26	32
Camp Devens.....																19		11	26	32
Camp Dix.....																20		13	26	32
Camp Dodge.....																21		13	26	32
Camp Funston.....																21		13	26	32
Camp Gordon.....																21		13	26	32
Camp Grant.....																20		14	26	32
Camp Jackson.....																18		14	26	32
Camp Lea.....																20		14	26	32
Camp Lewis.....																20		13	26	32
Camp Meade.....																21		15	26	32
Camp Pike.....																21		15	26	32
Camp Sherman.....																18		12	26	32
Camp Taylor.....																17		12	26	32
Camp Taylor.....																21		18	26	32
Camp Travis.....																22		15	26	32
Camp Upton.....																18		12	26	32
Camp Upton.....																15		12	26	32
Total.....														238	16	316	43	15	215	1

	Guardhouse, 1 story— Drawing No. 28.		Storehouses—Drawing No.—					Lavatories—Drawing No.—								Shops—Drawing No. 34, 20 by 42 feet.	
	20 by 66 feet.	20 by 70 feet.	30					25								25C	
			20 by 25 feet.	20 by 66 feet.	20 by 77 feet.	20 by 98 feet.	20 by 126 feet.	60 feet wide; aggregate length of all buildings in each case, 2,016 feet.	14 by 14 feet.	14 by 21 feet.	14 by 28 feet.	14 by 35 feet.	14 by 49 feet.	14 by 56 feet.	14 by 56 feet.	20 by 14 feet.	20 by 49 feet.
Cluster.....	10					31		12	102	20	10	4	20	38	2	145	
Camp Devens.....	9					31		12	106	23	10	0	24	41	9	144	
Camp Dix.....	10	1				33		12	104	23	12	4	22	40	2	183	
Camp Dodge.....	14					33		12	110	27	10	4	20	38	2	187	7
Camp Funston.....	14					33		12	116	27	10	11	20	40	2	192	
Camp Garton.....	12					37		12	106	12	11	4	19	40	2	182	
Camp Grant.....	11	1				36		12	107	22	11	6	22	38	2	183	8
Camp Jackson.....	12	1				36		12	107	22	11	4	19	38	2	183	6
Camp Lewis.....	12	1				41		12	111	29	11	4	20	38	2	183	6
Camp Meade.....	14	2				37		12	119	28	10	4	20	38	2	191	6
Camp Miles.....	10	1				37		12	100	21	10	5	20	38	2	145	24
Camp Pike.....	11	1				35		12	102	23	10	5	22	38	2	158	6
Camp Sherman.....	35					35		12	99	23	10	5	21	38	2	153	3
Camp Taylor.....	12	1				41		12	110	24	10	5	22	38	2	172	3
Camp Travis.....	39					39		12	114	26	10	5	23	38	2	173	3
Camp Upton.....	10					37		12	103	22	10	5	21	38	2	156	5
Total.....	184	17				597		192	1,713	382	165	80	361	623	40	2,649	195

NATIONAL ARMY CANTONMENTS, SHOWING TOTAL NUMBER, SIZE, AND USE OF BUILDINGS ERECTED UNDER ORIGINAL CONTRACT—Contd.  
*Total number of buildings in all units except remount stations and base hospitals—Continued.*

	Garages— Drawing No. 76.		Sheds— Drawing No. 37.		Stable yard— Drawing No. 34.		Stables—Drawing No.—				Magazines— Drawing No.—		Fire station—Draw- ing No.—				Miscellaneous build- ings—Drawing No.—					
	40 by 190 feet.	38 by 108 feet.	40 by 110 feet.	Number.	Total length.	20 by 42 feet.	20 by 21 feet.	Number.	Total length.	Open: all 24 feet wide.	36	70	24 by 60 feet.	20 by 20 feet.	23 feet 6 inches by 68 feet.	23 feet 6 inches by 88 feet.	31 by 67 feet.	31 by 84 feet 6 inches.	Bathhouse.	Gas house, 30 by 16 feet.	Signal Corps exper- iment station.	Telephone cen- tral station.
Camp Custer.....	1			92	10,878		32	178	19,420													
Camp Devens.....				92	10,878		32	178	19,420													
Camp Dix.....				101	10,878		32	187	19,800													
Camp Dodge.....				103	10,855		32	188	19,800													
Camp Funston.....				102	10,894		32	189	19,870													
Camp Gordon.....				101	10,855		32	186	19,870													
Camp Grant.....				99	10,805		32	185	19,700													
Camp Jackson.....				102	10,878		32	189	19,870													
Camp Lee.....				106	10,966		32	192	19,900													
Camp Lewis.....				112	11,092		32	196	20,240													
Camp Meade.....				99	10,878		32	185	19,710													
Camp Pike.....				102	10,878		32	188	19,830													
Camp Sherman.....				97	10,798		32	188	19,620													
Camp Taylor.....				106	10,966		32	192	20,000													
Camp Travis.....	1			104	10,980		32	190	19,920													
Camp Upton.....				101	11,396		32	187	20,070													
Total.....	32	13	2	1,619			528	2,044		982		1,780	48	20	8	24	16	16				



Miscellaneous buildings—Drawing No. 1.

Telephone station and barracks.	49	91	57, 58	Gasoline house.	Laundry building.	Bakery building (2-oven).	Bakery building (4-oven).	Sewage pumping station.	Theater.	Target storage, 20 by 21 feet.	Machine-gun target storage, 20 by 42 feet.	Main pumping stations.	Booster pumping station.	Latrines (10-hole).	Post-office building, 40 by 108 feet.	Central heating plant.	Civil employees' building.	Refrigerating plant.	Incinerating plant.	Garbage truck station.	Sewage pumping station.	Sewage disposal building.	Filtration building.	
Telephone station and barracks.	16	4	26	.....	6	6	10	5	11	22	14	21	4	112	5	56	1	8	16	16	16	4	10	1
Camp Custer.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Devens.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Dix.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Dodge.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Funston.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Gordon.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Grant.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Jackson.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Lee.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Lewis.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Meade.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Pike.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Sherman.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Taylor.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Travis.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Camp Upton.	1	1	1	.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Total.....	16	4	26	.....	6	6	10	5	11	22	14	21	4	112	5	56	1	8	16	16	16	4	10	1

NATIONAL ARMY CANTONMENTS, SHOWING TOTAL NUMBER, SIZE, AND USE OF BUILDINGS ERECTED UNDER ORIGINAL CONTRACT—Continued.

## Total number of buildings in remount stations.

Camp	Baracks, No.—	Mess hall, No. 47.	Guardhouse, No. 29, 20 by 66 feet.	Storehouse, No. 31, 60 by 108 feet.	Blacksmith shop, No. 50, 31 feet 6 inches by 207 feet.	Stables, No.—	Operating rooms, No. 66, 21 feet by 28 feet 8 inches.	Forage rooms, No. 66, 21 feet by 28 feet 8 inches.	Wagon sheds, No. 37.	Hay racks, No. 53.	Feed troughs, No. 54.	Dipping tanks, No. 51, 7 by 73 feet.	Loading platforms, No. 53, 20 by 254 feet.	Water troughs, No. 38, 10 feet long.	Lavatories, No. 26.	Hay sheds.
Administration building, No. 28,																
Officers' quarters, No. 7, 20 feet by 84 feet.																
A. 20 by 119 feet.	46.	10.														
B. 20 by 119 feet.																
A. 20 by 133 feet.																
20 by 49 feet.																
20 by 133 feet.																
20 by 84 feet.																
Guardhouse, No. 29, 20 by 66 feet.																
Storehouse, No. 31, 60 by 108 feet.																
Blacksmith shop, No. 50, 31 feet 6 inches by 207 feet.																
Stables, No.—																
24 by 190 feet.	36.															
24 by 250 feet.																
20 by 250 feet.	35.															
20 by 190 feet.																
Operating rooms, No. 66, 21 feet by 28 feet 8 inches.																
Forage rooms, No. 66, 21 feet by 28 feet 8 inches.																
Wagon sheds, No. 37.																
Hay racks, No. 53.																
Feed troughs, No. 54.																
Dipping tanks, No. 51, 7 by 73 feet.																
Loading platforms, No. 53, 20 by 254 feet.																
Water troughs, No. 38, 10 feet long.																
21 by 56 feet.																
14 by 49 feet.																
14 by 14 feet.																
40 by 80 feet.																
60 by 140 feet.																
Custer																
Camp Devens																
Camp Dix																
Camp Dodge																
Camp Funston																
Camp Gordon																
Camp Grant																
Camp Jackson																
Camp Lee																
Camp Lewis																
Camp Miles																
Camp Pike																
Camp Sherman																
Camp Taylor																
Camp Upton																
Grand totals in remount stations.....																

Total number of buildings in base hospitals.		B	J	C	K	L	M	R	G	F	D	E	N	H	P	I	O	H	E	O	N	P	P	Fire station.	Heating plant, 64 by 145 feet.	Powerhouse.	Pumping station.
Camp Custer.....	Administration, 35 feet 6 inches by 116 feet.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Devens.....	Receiving ward, 80 feet 6 inches by 135 feet.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Dix.....	Officers' ward, 80 feet 6 inches by 149 feet 6 inches.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Dodge.....	Single ward, 24 by 157 feet.	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	1
Camp Funston.....	Double ward, 96 by 157 feet.	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	1
Camp Gordon.....	Isolation ward, 24 feet by 150 feet 6 inches.	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	1
Camp Grant.....	Physicians' ward, 24 by 162 feet.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Jackson.....	Operating pavilion, 24 by 98 feet.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Lee.....	Eye, ear room.	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	1
Camp Lewis.....	24 feet by 104 feet 6 inches.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Meade.....	81 by 150 feet.	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	1
Camp Pike.....	24 feet by 149 feet 6 inches.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Sherman.....	24 feet by 34 feet 6 inches.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Taylor.....	24 feet by 149 feet 6 inches.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Travis.....	24 feet by 156 feet.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Camp Upton.....	149 feet by 149 feet 6 inches.	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	1
Grand total in base hospitals.....		240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240

Grand total in base hospitals.....

Mr. McKENZIE. We also desire to offer in evidence and have printed in the record the letter from the chairman of this committee under date of January 15, 1920, to Maj. R. E. Hamilton, who was at the head of the procurement branch of the Construction Division during 1917. Maj. Hamilton was subpoenaed but, as he stated in his letter, was unable to attend because of sickness.

Hence the committee incorporates the letter and answer rather than hold up the hearings longer.

(The letters referred to above are here printed in the record in full, as follows:)

JANUARY 15, 1920.

Maj. R. E. HAMILTON,  
*Belleair, Fla.*

DEAR MAJOR: Subcommittee No. 2 of the Select Committee on Expenditures in the War Department desired your appearance before it to tell of procurement of material for the construction of the cantonments, of which work, we are informed, you were in full charge in the Construction Division during 1917. The committee is sorry that your health is such that you are not able to attend before February. Inasmuch as the committee desires to make a report on the work thus far done as near the close of the current month as possible, we will ask you to give us briefly by letter in answer to this, the facts desired.

1. State generally your duties in connection with the procurement of essential materials used in the construction of camps and cantonments, with the dates you were engaged therein.

2. Approximately, what percentage of lumber, hardware, plumbing supplies, cement, roofing, and paper were handled through your office for the construction of the 16 original National Army cantonments?

3. How were the prices of the different materials named arrived at?

4. How were shipments directed to the different cantonments; that is, by your office directly in allocation, or on requisition from the several contractors through your office?

5. What provisions were made by your office touching the procurement by contractors of extras or deficiencies in amounts furnished through your office, particularly as to the price and manner of procurement; whether on competitive bidding or otherwise?

Very respectfully,

J. C. McKENZIE,  
*Chairman Subcommittee No. 2 of the Select Committee on  
Expenditures in the War Department.*

BELLEAIR HEIGHTS, FLA., January 21, 1920.

Hon. JOHN C. McKENZIE,  
*House of Representatives, Washington, D. C.*

MY DEAR SIR: In compliance with your letter of January 19, 1920, I beg to advise as follows:

1. A. I, as head of the material section of the Cantonment Division, War Department, was responsible for the procurement, inspection, and transportation of all the materials for use in the construction in the cantonments.

B. I was in charge of this work from the organization of the Cantonment Division until October 13, 1917.

2. My office handled all the lumber, hardware, plumbing supplies, cement, roofing paper, etc., called for in the bills of material made up by our engineers as being what was required for the construction of the original 16 cantonments.

3. A. Where the War Industries Board had established prices on certain commodities we used their prices.

B. On commodities on which prices had not been established by the War Industries Board we secured competitive bids, accepting the lowest bid up to the capacity of the bidder and then accepting the next lowest bids to meet our requirements.

C. The original price submitted to us by the lumber committee of the War Industries Board we considered excessive and submitted the facts to the Secre-

tary of War, with the result that a reduction of approximately \$5 a thousand board feet was made in the price of lumber from the southern yellow-pine district.

D. Hardware was bought on competitive bids.

E. Plumbing supplies for the original 16 National Army cantonments were handled by Crane Co., Chicago, on a 5 per cent commission. Crane Co., for this 5 per cent, procured quotations from the different manufacturers and arranged for assembling, packing, etc., in accordance with general practice of the plumbing trade. The selection of successful bidders was under the approval of my office, the lowest bids being accepted up to the capacity of the manufacturer, the only exception being where quality was not satisfactory to my office and to our engineers. This arrangement was made with Crane Co. by the Quartermaster Department before I took charge of this work. For the National Guard and other camps plumbing supplies were secured direct by my office by the selection of the lowest bidder up to their capacity. Cement and roofing paper were allocated to manufacturers by the subcommittees of the War Industries Board at prices established by this board.

4. Practically all material handled by my office was taken from bills of material furnished us by our engineers, but some material was secured by my office on requests from contractors through the construction quartermasters at the different cantonments and approved by our engineers.

5. A. Where it was necessary to procure small amounts of material locally to make up deficiencies in amounts furnished through my office, the contractors were allowed to secure material direct from manufacturers or dealers on the approval of this action by the construction quartermaster of his authorized assistant.

B. It is my understanding that in such cases competitive bids were obtained where time and local conditions permitted.

Other materials required in the construction of cantonments were handled in the same manner as mentioned—that is, where prices had been established by the War Industries Board the orders were allocated to the manufacturers by this board and at the price established by them. Where the War Industries Board had not established prices acceptable to my office, orders were allocated direct by my office to the lowest bidders, price and quality considered.

I have tried to give you the information asked for in your letter, but if there is any additional information that your committee desires on this subject, I will be most pleased to furnish same to my best ability.

I wish to take this opportunity to thank you for your kind consideration in not obliging me to appear in Washington in person during the period I had arranged to spend in this warm climate for my health which I am pleased to state has greatly improved.

I will be able to appear in Washington if necessary any time after the 1st of February.

Yours, respectfully,

ROBERT E. HAMILTON,  
*Major, Quartermaster Reserve Corps.*

Mr. McKENZIE. The committee next desires to offer in evidence the letter of Maj. Gen. E. H. Crowder, dated January 24, 1920, in response to letter of the chairman, dated January 22, 1920, asking for information therein contained.

(The letter above referred to by Mr. McKenzie is here printed in full in the record, as follows:)

WAR DEPARTMENT,  
OFFICE OF THE JUDGE ADVOCATE GENERAL,  
*Washington, January 24, 1920.*

HON. JOHN C. MCKENZIE, M. C.,  
*House of Representatives.*

MY DEAR MR. MCKENZIE: Replying to your letter of January 22, I have to advise you that, in calling on the increments of the draft, the allocation to the different cantonments was made by the General Staff. An effort was made by them to minimize the cost of transportation by routing the contingents to the nearest camps. Occasionally conditions at the cantonments required the men to be sent to more distant camps than would otherwise have been designated.

In calling the first increment of the draft we followed this same rule, but as cantonments were not, in early September, in an advanced state of completion

anywhere and certain of them not fitted at all to receive troops, this fact must have influenced the allocation. In some instances, notably in case of Camp Meade and Camp Upton, the delivery of contingents was postponed.

As the allocation was made by the General Staff, they are entitled to speak the final word. I give you the information that I retain from personal recollection of what the orders were respecting the allocation of selective service contingents.

Sincerely, yours,

E. H. CROWDER,  
*Judge Advocate General.*

Mr. McKENZIE. The committee next desires to offer in evidence and have printed in the record the letter of L. B. Wehle, dated January 22, 1920, with reference to the identity of a memorandum referred to by him in his testimony.

(The letter above referred to by Mr. McKenzie is here printed in full in the record, as follows:)

WASHINGTON, January 22, 1920.

W. T. CHANTLAND, Esq.,  
*Counsel, Room 178, House Office Building,*  
*Washington, D. C.*

DEAR MR. CHANTLAND: Your letter of January 7 asks whether Exhibit No. 3, J. B. T., appearing at the record 957-960, is the memorandum referred to in my testimony as the one which was handed to me as the basis on which I was instructed to draft the emergency construction contract.

I am not perfectly sure that this is the memorandum to which I referred in my testimony, but if not, it is in many respects similar to it.

Very truly, yours,

L. B. WEHLE.

Mr. DOREMUS. Mr. Chairman, I ask that the following letter, received from Mr. Benedict Crowell, the Assistant Secretary of War, with reference to certain testimony, be incorporated in the record.

Mr. McKENZIE. It will be so printed.

(The letter above referred to by Mr. Doremus is here printed in full in the record, as follows:

WAR DEPARTMENT,  
OFFICE OF THE ASSISTANT SECRETARY,  
*Washington, D. C., January 24, 1920.*

HON. FRANK E. DOREMUS,  
*House of Representatives.*

DEAR SIR: The Secretary of War has just called to my attention a portion of a statement of a Mr. Wessen made before subcommittee No. 2 of the Select Committee on Expenditures in the War Department December 31, 1919. I quote from page 2486 of the hearings, Serial 3, part 32, as follows:

"Now, there are a number of contractors who received from the beginning of the Great War to the signing of the armistice more in fees than the Cleveland Construction Co., but I have included the Cleveland Construction Co. in this report for the reason that the records of the emergency construction committee indicate that the Cleveland Construction Co. was practically a defunct company from 1915 to 1918, but about that time Mr. C. W. Lundoff, a former business partner of Mr. Benedict Crowell and the original chairman of the emergency construction committee, became affiliated with this company. It is also significant that the larger portion of their work was on ordnance projects, this work coming under the jurisdiction of Mr. Bascom Little in Mr. Crowell's office. Mr. Little was also a member of the firm of Crowell, Lundoff & Little."

For your information permit me to say that I was president of the Crowell-Lundoff-Little Co. previous to the war. As soon as possible after I was appointed Assistant Secretary of War, however, I sold my interest in this company and severed my connection with it. Mr. Bascom Little, who had been secretary of the company and was then a colonel of Ordnance, did the same.

This resulted in the virtual disruption of the company, and I have since understood that Mr. Lundoff, who was vice president, at a later date associated himself with the Cleveland Construction Co. for this reason.

I have never had any interest whatever in the Cleveland Construction Co., nor has Mr. Bascom Little had any interest in this company. The work done by the Cleveland Construction Co. did not come under the jurisdiction of Mr. Bascom Little, who during 1918 was in the Ordnance Department in charge of machine-gun production.

Very truly, yours,

BENEDICT CROWELL,  
*The Assistant Secretary of War.*

Mr. McKENZIE. I desire to have printed in the record the following extract from the volume entitled "America's Munitions, 1917-18, issued by Mr. Benedict Crowell, the Assistant Secretary of War." The matter printed appears on pages 538 to 540, inclusive.

(The extract above referred to by Mr. McKenzie is here printed in the record in full, as follows:)

The officer in charge of the construction and repair division of the Quartermaster General's Office was relieved of his former duties and placed by the Secretary of War in charge of a new and almost entirely independent division, reporting directly to the Secretary, called the cantonment division, and charged with providing the necessary construction and camp facilities for the National Army and the National Guard. This was in May, 1917, at which time the commissioned personnel of the division consisted of only three officers. This step was recommended by the General Staff, acting in accordance with the advice of civilian construction experts on the Council of National Defense.

One year later the personnel of this division had grown to 263 officers and 1,100 civilians in Washington, the best constructors, engineers, draftsmen, managers, purchasing agents, and other specialists obtainable by the Government; there were hundreds of other officers and civilian experts in the field for this organization; it had an enlisted personnel of some 16,000 men and employed over 20,000 laborers and craftsmen; it had jobs on hand, complete and incomplete, aggregating \$600,000,000, or nearly twice the cost of the canal at Panama, while future work then being planned and later actually undertaken came to another \$60,000,000; it had now become the Construction Division of the Army, attached directly to the office of the Secretary of War, charged with all the Army construction within the United States. Such was the expansion of one branch of the Army to meet the emergency. Construction operations for the Army overseas, conducted principally with troop labor, was in charge of the Corps of Engineers.

Congress passed the selective-service bill on May 18, 1917. Before the end of May the military authorities had decided to call the first levies of the National Army on September 1. The little Cantonment Division, which had in the week after its birth had grown to a personnel of 30 officers and numerous civilian experts, received orders to have the camps—16 complete cities to accommodate 40,000 inhabitants each and 16 tent camps, with many incidental buildings and public utilities—ready in 90 days.

Actually the time allowed for construction was much shorter than that, for the least site was not approved until July 6. About 60 days later, on September 4, the National Army cantonments were ready for 430,000 men, two-thirds of the first draft. Although some construction, subsequently authorized, was not entirely complete until later, the cantonments nevertheless were at all times prepared to receive the conscripted soldiers faster than the Army could assimilate them.

However irksome to the impatient construction officers the interval between the time when the cantonments were ordered and the day when the last sites were approved, it was not time wasted by any means. There was much preliminary work to be done. The magnitude of the task ahead was appalling. Yet the Cantonment Division, with scarcely anything to start with, with not even the ground selected for a single camp site, must design and adopt types for buildings, mobilize materials, standardize everything possible, adopt an emergency contract that should protect the Government from the grafter and the profiteer, locate stores of materials, commandeering them if necessary, and

also discover manufacturing plants capable of turning out supplies as rapidly as they were needed, build up an organization to handle the work in every detail, and be ready to start hammering in the nails on the day the materials arrived on the jobs. Actually these officers had something less than 20 days in which to accomplish this feat.

There had been, however, a measure of pioneering in several of these directions. The Council of National Defense had an organization of civilian experts in many lines gathered together in Washington to give advice to the military authorities. Through its committees the council prepared to form a contract upon what came to be known as the "cost plus with sliding scale and fixed maximum fee" plan, which limited the cantonment contractor in each case to maximum fee of not more than \$250,000, the Army itself retaining control of the cost of materials and the wages paid to labor.

Since the cantonments cost anywhere from \$8,000,000 to more than \$12,000,000 each, the average fee to the contractor was slightly less than 2½ per cent, out of which the contractor had to pay overhead expenses, such as his main office expenses and the like; so it will be seen that the United States drove a close bargain with its cantonment builders, in spite of the breathless haste to get the work done.

It was not until the 1st of June that the war authorities decided upon wood construction for the 16 National Army cantonments and canvas tentage for the 16 camps of the National Guard. According to the original plan, so far as could be foreseen, the cantonments were to be permanent camps to receive fresh contingents of selectives as long as the war should last, whereas after receiving its training the National Guard would go to France and leave its American camps deserted. The wood construction was much more expensive than tentage, amounting to \$215 per man of the first draft, as it proved, but it was permanent; once installed it made no further demands for materials, and in convenience and comfort, especially in winter, it was far superior to tentage.

Meanwhile the Cantonment Division had designed a model barrack building, 43 feet wide and 140 long, to house 150 men, or one company, as the company was in the spring of 1917. Here, in the adoption of this model and general camp plans, there might easily have occurred in Washington a fatal indecision. Both the British and the French Armies had found by experience that a company of 250 men was a more convenient size for trench warfare than a smaller one. There was some question whether the American Army would be guided by this experience. Gen. Pershing was to decide this matter, but he did not reach Europe until June 15. A weak executive control in Washington might have justified itself in waiting for this decision before starting in at full speed to build the cantonments. Those in charge of the program took upon themselves the responsibility of building the 150-man barrack, trusting to their own ability to adjust the buildings later to changed conditions. As a matter of fact, when the company unit was enlarged to 250 men, it was readily possible to house two companies in three barracks, leaving space in two of them for the kitchen and messroom. Still later the Construction Division built smaller barracks for 66 men each, providing four such barracks to the company.

Before a single site was selected the experts in Washington had designed the buildings and mapped out the future cities.

Mr. McKENZIE. I also desire to incorporate into the record the following statement found on page 541 of the above-mentioned report, which report is dated December 24, 1918. The quotation is as follows:

To give a picture of a typical cantonment, let us take Camp Grant at Rockford, Ill., as an illustration. It costs approximately \$1,000,000; it could accommodate 45,000 men and 4,000 horses; its buildings number 1,600.

And also from page 547 of the same record, I desire to have printed the following from the table called "Camps and cantonments built by Construction Division":

Camp Grant, Rockford, Ill.; maximum capacity, 62,675; approximate cost \$14,400,000.



Mr. McKENZIE. We also desire to incorporate into the record the letter of the chairman of this committee to the Secretary of War, dated December 30, 1919, and the answer thereto, dated January 9, 1920, as follows:

(The letters above referred to by Mr. McKenzie are here printed in the record in full, as follows:)

DECEMBER 30, 1919.

The SECRETARY OF WAR.

SIR: Will you kindly furnish or cause to be furnished for the use of subcommittee No. 2, Select Committee on Expenditures in the War Department, the following information:

1. Whether the provision of the appropriation act of May 12, 1917, was adhered to, requiring detailed estimates to be furnished to you prior to your approval of the expenditures for construction work when such work was in excess of \$5,000 (A-79).

2. If such provision was adhered to, kindly furnish to the committee the detailed estimates as to each of the 16 National Army cantonments construction, both original and supplemental construction, and the same as to the 16 National Guard constructions.

3. If same was not adhered to, kindly advise the committee why not.

Very respectfully,

JOHN C. MCKENZIE,  
*Chairman Subcommittee No. 2.*

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WAR DEPARTMENT,  
OFFICE OF THE CONSTRUCTION DIVISION OF THE ARMY,  
Washington, D. C., January 8, 1920.

From: Chief of Construction Division.

To: Hon. W. H. Graham, chairman of the Select Committee on War Expenditures, House of Representatives, Washington, D. C.

1. Referring to the letter of December 30 from the chairman of subcommittee No. 2, requesting information as to whether estimates were furnished for approval of expenditures for construction work (when such work exceeded \$5,000), as required by the appropriation act of May 12, 1917. You are advised that such estimates were prepared and you will find them printed in full on page 2367 of the hearings before the Committee on Military Affairs, United States Senate, Sixty-fifth Congress, second session, in Part No. 7 of the "Investigation of the War Department." The information concerning the supplemental construction is given on pages 2365 and 2366 of the same document.

2. We would attach copies of these estimates, but believe that you will find it handier to refer to the above-mentioned document, which is in your possession, for you will not only get the estimates themselves, but also the testimony concerning them which was given on February 11, 1918.

3. It is thought proper at this place to point out that the estimates made were extraordinarily accurate. You will note they are given on a per capita basis and also on a basis of totals. We attach hereto a statement showing the estimate based on the actual number of men who were placed in the cantonments and the per capita figures used in making the estimate of May 26, 1917, from which you will note that the total cost of the 16 cantonments with the additions made to them was \$142,258,785 or just \$6,188,645 more than their estimated cost.

EVAN SHELBY,  
*Colonel, Quartermaster Corps,  
Acting Chief of Construction Division.*

*Statement showing the cost of National Army cantonments based on the per capita cost used in the estimate of May 26, 1917.*

	Per capita.	Total.
<b>B. &amp; Q.:</b>		
Construction.....	\$61.98	\$40,583,636
Wall board.....	3.47	2,372,107
Screens <sup>1</sup> .....		
Rental of sites.....	.31	202,894
Contingencies, 10 per cent.....		4,305,573
<b>S. S. &amp; T.:</b>		
Plumbing.....	7.75	5,074,882
Stoves.....	9.31	6,085,038
Power plant.....	3.10	1,729,837
Interior lighting.....	2.79	1,828,888
Exterior lighting.....	.08	445,254
Water system.....	6.26	4,088,889
Power system.....	2.33	1,519,188
Sewage disposal.....	6.21	4,065,221
Laundry.....	6.23	1,554,397
Fire apparatus and buildings.....	1.39	910,155
Garbage-incinerator.....	.77	504,185
Ice and refrigerating plant.....	2.87	1,367,081
Bunks.....	4.18	2,737,086
Mattresses.....	5.43	3,555,488
Ranges.....	.62	405,967
Refrigerators.....	.62	405,967
Contingencies, 10 per cent.....		3,619,704
<b>R. W. W. &amp; D.:</b>		
Roads.....	5.43	3,555,488
Drainage.....	.36	208,951
Clearing.....	.62	405,967
Railroads.....	2.33	1,528,681
Contingencies, 10 per cent.....		699,696
<b>C. &amp; R. of H.</b> .....	18.92	12,388,532
<b>S. G. &amp; R.</b> .....	2.26	1,479,816
Total estimated cost of building camps for 654,786 men in accordance with plans contemplated May 26, 1917.....		107,788,340

<sup>1</sup> Only kitchen and hospital were screened.

<sup>2</sup> Only in 6, or three-eighths of the camps.

<sup>3</sup> In only 8, or one-half of the camps.

Number of men housed in National Army cantonments, 654,786.

*Additional work authorized at National Army cantonments as set out in memorandum dated Dec. 11, 1917, from Gen. Littell to committee on emergency construction and later printed on page 2365, Investigation of the War Department, hearing held Feb. 11, 1918.*

For remount depots.....	\$1,000,000
For bettering road work.....	1,400,000
For division storehouses.....	1,440,000
For bakery companies, motor truck companies, temporary post offices, and telegraph and telephone buildings.....	1,450,000
For eye, ear, and nose infirmaries.....	128,000
For clearing camp sites, needing special attention.....	335,000
For gas-defense buildings.....	20,000
For theaters.....	452,000
For alterations to accommodate new "Pershing Division" and for other changes imposed by the conditions of new organization tables.....	22,119,800
Total additions.....	28,324,800
Estimated cost original project.....	107,755,340
Difference between estimated cost and actual cost.....	6,188,645
Total cost.....	142,258,785

Mr. McKENZIE. We also desire to incorporate in the record the following from the testimony of Gen. Littell, before the Military

Committee of the House in February, 1918, appearing in the "Hearings of the Military Committee, Sixty-fifth Congress, second session, page 848":

Gen. LITTELL. Mr. Chairman, if you desire we can furnish you a tabulated statement for the record, showing the cost of every single building that has been put in each cantonment.

The CHAIRMAN. I would like to have that in the record.

In this connection the chairman desires to call attention to the statement made by Col. Couper in his recent appearance before the committee, in which he said:

It is impossible, even at this date, for the Construction Division or any person to tell what any cantonment actually cost the taxpayer.

Mr. McKENZIE. We next desire to have incorporated in the record the letter of the chairman to Gen. William M. Black, and his answer thereto, which is as follows.

(The letters above referred to by Mr. McKenzie are here printed in the record in full, as follows:)

JANUARY 17, 1920.

Gen. WILLIAM M. BLACK,  
Care of United States Shipping Board,  
45 Broadway, New York, N. Y.

DEAR GENERAL: In the hearings before this committee within the last few days certain testimony has been offered which, while I do not like to call you back from New York, yet we feel that you should be advised of it and given an opportunity to state for the record your version.

Messrs. Leonard Metcalf and George W. Fuller, connected with the Emergency Construction Committee, testified that they personally went to you to procure the assistance of yourself and the engineers in the emergency construction work, and that you refused to do so, saying, "Nothing doing;" but that later, after the construction of the cantonments, under the construction division had, as they expressed it, become an assured success, then the Engineer Corps from that time on persistently, and as was stated in substance, actively endeavored to take over the whole construction program, then being handled by the Emergency Construction Committee. In fact, in my view, the inference as left by the testimony, as it now stands, of these and other witnesses, is that the Engineer Corps, speaking largely through you, sought to dodge the original emergency construction work because of fear of undertaking it and assuming the responsibility involved, and that later your corps sought to take it over when what they termed its successful completion was assured. The committee will be glad to have your statement relative to this matter.

Another point which they mentioned was that you refused to give them any class A officers, but signified your willingness to give them their pick from the class B, the inference sought to be left by them being that the class B men were not as well qualified to care for the emergency construction program which they had in hand, and therefore that you were not offering the best of your talent for that work. Will you please give us the facts as to that, and particularly how you placed your officers in class A and class B, whether it was a matter of fitness for active military service, or whether it was a matter of general classification, etc.?

In connection with these matters I have not forgotten that the record already shows that you went to Gen. Sharp, Quartermaster General at the outbreak of the war, and proposed taking on the engineering features of this work in connection with the Quartermaster Corps' taking on the actual construction end, and stated only partially the reasons why that proposal was not carried through. Perhaps it would be well to go more fully into that in order to make the record clear and complete.

I will ask that you make your answer to this letter as though still on the witness stand under oath, and it will be so treated and printed in the record.

Very respectfully,

JNO. C. MCKENZIE,  
Chairman Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department.

DIVISION OF OPERATIONS,  
UNITED STATES SHIPPING BOARD EMERGENCY FLEET CORPORATION.

*New York, January 26, 1920.*

HON. JOHN C. MCKENZIE,  
*House of Representatives, Washington, D. C.*

MY DEAR MR. MCKENZIE: I inclose herewith my reply to your letter of January 17, which was returned by the Chief of Engineers to me, with certain additional data to be incorporated therein.

I also inclose a copy of a statement by Col. James G. Steese, General Staff (Engineers). Col. Steese is on duty in Gen. Jervy's office in the War Department, and the committee can obtain the testimony direct if they so desire; otherwise his statement, which is herewith, should form a part of my statement.

Very sincerely,

W. M. BLACK,  
*Major General, United States Army (retired).*

DIVISION OF OPERATIONS,  
UNITED STATES SHIPPING BOARD EMERGENCY FLEET CORPORATION.

*New York, January 26, 1920.*

HON. JOHN C. MCKENZIE,  
*House of Representatives, Washington, D. C.*

MY DEAR MR. MCKENZIE: Please accept my thanks for your letter of January 17 and for the opportunity of replying to some of the misleading testimony offered to your committee.

It has been my belief for years that the construction work of the Army could be carried on more efficiently and more economically if all were intrusted to the Corps of Engineers, and that it was a poor business policy to divide that work between two organizations, the personnel of one of which was not selected primarily with regard to training and fitness for such work, while that of the other (the Corps of Engineers) was selected and trained with that end in view. Some excellent constructing officers were developed in the Quartermaster's Department, but a large part of the work was necessarily done under the supervision of untrained men. This belief was shared by many officers of other branches of the service as well as by officers of the Corps of Engineers. It has been, however, the settled policy of the Corps of Engineers to accept any responsibilities which might be imposed upon it, but not to seek to take from another branch of the service duties intrusted by proper authority to that branch. I am informed that while Maj. Gen. Leonard Wood was Chief of Staff he made an effort to have a transfer made and that this effort was repeated by a later Chief of Staff, Maj. Gen. Scott. I am informed that when the matter was referred to the then Chief of Engineers (first, Gen. William H. Bixby, and, second, the late Gen. D. C. Kingman) in each case the reply stated that the Corps of Engineers was willing and ready to undertake any duty which might be intrusted to it, but it was not the policy of the corps to endeavor to take duties from another branch of the service. I can only speak of this by hearsay, since I have been unable to find any record in either case.

Knowing the weakness of the Quartermaster's Corps in engineering talent, at the outbreak of the war I made the offer to Gen. Sharpe, Quartermaster General, to undertake the more technical engineering work involved in cantonment construction, as of record in the testimony. I do not know why no advantage was taken of this offer, but believe it to have been because of the manifest value of a single control in the cantonment work. When the construction work of the Quartermaster Department was placed in charge of Col. (later Brig. Gen.) I. W. Littell, Quartermaster Corps, I assisted Col. Littell to have detailed for work in his division about 60 officers of the Reserve Corps of Engineers, selected from the men of the Reserve Corps supposed to be best fitted for that class of work. Gen. Littell, now retired, is at the Soldiers' Home, Washington, D. C., and his testimony as to the assistance rendered can be obtained by the committee, if desired.

This policy was continued during the war, and close relations were maintained between Col. James G. Steese, personnel officer of the office of the Chief of Engineers, until September, 1918, and the corresponding officers of the Cantonment (later Construction) Division, particularly Col. Junkersfeld and

Maj. Betts, who passed on the qualifications of all officers detailed to their division. Requests from them for men of specified qualifications were sent to the Engineer training camps, and on several occasions committees of officers of the Construction Division visited those camps and made their own selections. Promotions of Engineer officers on duty with that division were also made on request.

In June, 1918, the following number of Engineer officers were on duty in the Construction Division: 32 majors, 51 captains, 10 first lieutenants, and 17 second lieutenants. In addition, there were a number of officers originally in the Engineers who had been recommissioned with higher grades in the Quartermaster Department. Later, as shown in the statement of Col. Steese, inclosed herewith, other officers were obtained for that division through the effort and aid of the Engineer Department.

For some months after the outbreak of the war the calls for trained Engineers for service in France, the organization and training of the various Engineer units, and the activities demanded for the supply and shipment of Engineer materials to the American Expeditionary Forces absorbed all of my attention. The Engineer depots at Norfolk and Kearny (near Jersey City) were constructed by the Engineers. With the concurrence of Col. Littell, the construction of Camp Leach, Washington, D. C., an encampment for Engineers' troops, was started by Engineer labor under Col. Jervey (now Maj. Gen., United States Army). During the construction of Camp A. A. Humphreys, also an Engineer cantonment, the Engineers rendered material assistance.

Later, early in 1918, without any previous action by the Chief of Engineers, it was proposed by the General Staff that all the work of the Construction Department should be transferred to the Engineers. When interrogated as to the willingness of the corps to undertake this additional responsibility I replied in the affirmative and prepared accordingly. I was not informed why the proposed change was not made. Later another move was made by higher authority to the same end and again the plan was stopped for reasons unknown to me. Toward the close of 1917, and during 1918, the operations of the Construction Department in the United States interfered materially with the fortification and civil construction work in charge of the Corps of Engineers, and the evil effects of a dual control for work of the same general character were made manifest.

The delays and undue expenditures in the construction of Camps Humphreys and Benjamin Harrison were made subjects of official protests. Cases of waste of public funds at other cantonments became known and I made an effort to have the construction work at the cantonments and depots intended for Engineer uses transferred to my charge. This was done particularly because of the need of additional constructions for Engineer uses and of the fact that the amount of such construction which could be authorized was limited by the funds available. I was not responsible for the operations of the Construction Division and considered it no part of my duty to comment on the work of that division, otherwise than as that work interfered with or prevented the performance of duties intrusted to the Corps of Engineers.

Since I have not seen the testimony of Messrs. Leonard Metcalf and George W. Fuller, I am not able to answer their statements in detail. I do not know when they came to see me, nor do I remember that they came at all. I do recall a visit from certain gentlemen (I believe from the emergency construction committee) in the spring of 1919, to whom I gave information as to my complaints against the Construction Division. I have never seen their report.

When the Engineer Reserve Corps was first formed requests for commissions came from engineers from all parts of the United States. These requests were frequently accompanied by statements of the class of service desired. With the help of the committee of the engineering societies, lists were prepared showing the training, experience, and age of each man, in order that assignment might be made in accordance with fitness. Later, officers were divided into two classes, A and B, the latter including all who were unfitted by any reason for, or did not desire, service at the front. This latter class included many able and experienced engineers who were fully competent to undertake any class of work in the United States. The offer of class B officers therefore could have meant only that the volume of the demands of the American Expedition Forces was so great that all class A officers were required to meet them. If Messrs. Metcalf and Fuller prior to the armistice requested the detail of a

specified officer, or specified officers, or of additional class A officers of Engineers to the Construction Division, it is most probable that I refused assent, because the officers were urgently needed elsewhere. The officers of Engineers were recruited from the general engineering personnel of the United States, which was open to the Construction Division equally as to the Corps of Engineers. In such recruiting effort as shown in Col. Steese's statement, the Engineer Department assisted the Construction Division. Further, in so far as I know, it was never proposed by anyone connected with the Construction Division to transfer the responsibility for cantonment or depot work to the Corps of Engineers. Such an offer, for all or any integral part of the work, would have been accepted at once. At no time would I have been willing to share responsibility for any work unless I had a corresponding authority over the methods employed.

The implication "that the Engineer Corps, speaking largely through you (me), sought to dodge the original emergency construction work because of fear of undertaking it and assuming the responsibility involved, and that later your (me) corps sought to take it over when, what they termed its successful completion was assured," is wholly without a basis of fact.

Respectfully,

W. M. BLACK,  
*Major General, United States Army (retired).*

WAR DEPARTMENT,  
OFFICE OF THE CHIEF OF ENGINEERS,  
Washington, January 22, 1920.

STATEMENT OF COL. JAMES G. STEESE, GENERAL STAFF (ENGINEERS), RECENTLY ASSISTANT TO THE CHIEF OF ENGINEERS.

1. I was assigned to duty early in September, 1917, as assistant to the Chief of Engineers, and continued in that position until the middle of September, 1918, eventually having charge immediately under the Chief of Engineers (Gen. William M. Black), of the Personnel, Equipment, Construction and Mapping Divisions of the office of the Chief of Engineers.

2. Upon taking up my duties in the Office of the Chief of Engineers, I was advised that there had been some discussion, soon after the outbreak of the war, as to whether cantonment construction should be handled by the Corps of Engineers or by the Quartermaster Corps, that the decision had finally been made to organize the Cantonment Division under the Quartermaster General to handle this work. I was further advised that, upon the personal request of Gen. Littell, the newly appointed Chief of the Cantonment Division, the Chief of Engineers had turned over to Gen. Littell a large number of officers of the Engineer Reserve Corps, and that subsequently additional officers were being transferred, as requested by the Chief of Cantonment Division. The reason for this was stated to be the fact that Gen. Littell had under his orders no competent engineers, nor any means of obtaining any, whereas the Corps of Engineers at that time had already commissioned about 1,000 of the leading engineers in the United States, and was completing the visé of a total of some 20,000 applications, of which nearly 6,000 had been commissioned at the time I assumed my duties.

3. In issuing Engineer reserve commissions, Engineer officers were classified as class (a), those who were thoroughly fit for active combat duty in the field with Engineer troops and who desired such duty, and class (b), those who, on account of age, partial physical disability, important business interests at home, personal preference, or for other reason, did not desire overseas service. Most of the more prominent and highly qualified technical engineers indicated a preference for class (b) work. Later, both lists were combined as many class (a) men were found physically or temperamentally unsuited for troop duty, and hundreds of class (b) officers requested transfer to class (a) status, after the war developed and exact conditions became better known.

4. I was instructed to assist the Cantonment Division in every way possible in the matter of personnel and to furnish them with any officers for whom they asked, where it could possibly be done without direct detriment to the work actually in operation under the Corps of Engineers.

5. Pursuant to this policy, I had by June, 1918, transferred to duty under the Construction Division some 200 officers of the Engineer Reserve Corps, in each case after the officer in question had either been originally selected by the Construction Division or whose qualifications had been passed upon by a representative (usually either Col. Junkersfeld or Maj. Betts, both of whom were originally Engineer officers) of the Cantonment Division, later the Construction Division.

6. I also issued original Engineer commissions to candidates selected by the Construction Division, and also promoted Engineer officers on duty with the Construction Division upon the recommendation of the Chief of the Construction Division.

7. I repeatedly received requisitions from the Cantonment Division for officers of specified qualifications. These requests were forwarded to the commanding officers of our Engineer officers training camps and were filled exactly on the same basis as though they had originated with officers serving under the Corps of Engineers. Repeatedly I permitted committees of officers from the Cantonment Division to go to our Engineer officers' training camps at American University, D. C., Camp Lee, Va., and Camp Humphreys, Va., and select Engineer officers for duty with the Construction Division, the entire camp personnel being made available and no limiting conditions whatever as to selections were imposed.

8. As late as May, 1918, the table of organization authorized for the Corps of Engineers included an allotment of officers for the Construction Division. In fact, substantially all technical men in the Construction Division, and especially the heads of departments, both in Washington and at each large cantonment, were Engineer officers. The closest liaison and friendly cooperation was maintained at all times between myself and Col. Junkersfeld, Maj. Betts, Maj. Abadie, and numerous other officers in responsible charge of subdivisions of the office of the Construction Division.

9. When the increased Army program, late in the spring of 1918, was under consideration, the allotment for the Engineers contained in the table of organization of May, 1918, was found inadequate. In my request in June, 1918, for an increased table of authorization I included an increase in the allotment for the Construction Division and other duties not under the control of the Chief of Engineers to which Engineer officers were assigned. My increased authorization was granted, but the allotment for the Construction Division was disallowed and I was informed that Engineer officers on duty with the Construction Division would be recommissioned in the Quartermaster Corps, and that henceforth the Corps of Engineers would not be charged with any officers so serving. This created quite an uproar in the Construction Division, as a great many Engineer officers objected to being recommissioned in the Quartermaster Corps. They were proud of their Engineer insignia, which indicated technical training and professional qualifications of a high order, whereas the insignia of the Quartermaster Corps meant nothing in particular and was actually more or less in disrepute. The actual transfer was, therefore, delayed several months until an increased allotment for the Construction Division permitted the distribution of a considerable amount of promotion in the Quartermaster Corps to the higher ranking Engineer officers on duty with the Construction Division. As late as August and September, 1918, I conducted a recruiting campaign for additional Engineer officers, which finally netted between 2,000 and 3,000 Engineers for combat service overseas. By special arrangement with Col. Junkersfeld of the Construction Division, the officer conducting this campaign (Col. E. H. Williams, Engineers) was instructed to recruit properly qualified officers for the Construction Division, not to exceed 50. Col. Williams was called in from this recruiting campaign before it was complete, but he turned over to the Construction Division a number of applicants for commissions therein, of whom some 40 were at once commissioned and assigned to duty with the Construction Division.

10. About February or March, 1918, as result of some investigation or inquiry into the operations of the Cantonment Division, the Acting Quartermaster General, Gen. George W. Goethals, disclaimed any responsibility for the operations of the Cantonment Division, and recommended that all this construction work be turned over to the Corps of Engineers. A similar recommendation was made some weeks later by the Acting Quartermaster General, Gen. R. E. Wood. The matter went so far that the Chief of Engineers made tentative plans for taking charge of this work, and for this purpose called to Washington Col. Lansing H. Beach (recently nominated for appoint-

ment as Chief of Engineers) for consultation concerning the handling of this work by the Corps of Engineers. I am not familiar with the reasons which led to the proposal to transfer this work to the Corps of Engineers, nor with the reasons which caused the work to be retained by the Construction Division. The attitude of the office of the Chief of Engineers throughout was to the effect that the Engineers were willing to assume responsibility for any work that might be intrusted to them, that they were willing to cooperate with and lend every assistance possible to any other branch of the service where such cooperation would expedite and facilitate the successful prosecution of the war, but they would not go out and seek to take away from any other branch of the service any work intrusted to such branch by proper authority. As an interesting side light on the close cooperation maintained by the Chief of Engineers, it might be stated that at the close of the second series of Engineer officers training camps in November, 1917, the Cantonment Division requested transfer to their service of a number of Engineer officers discharged from the training camp on the grounds that it was understood these officers were discharged for lack of suitability to command troops, but were otherwise thoroughly competent, technically-trained Engineers. I informed a representative of the Cantonment Division that while that was true of some of the candidates, in a great many cases they were being discharged for temperamental unfitness to have charge of any work, and that the Engineers would prefer to furnish the Construction Division with equivalent officers about whose fitness there could be no question, rather than to appear to be unloading on the Cantonment Division any of its lame ducks. In individual cases some of these discharged Engineers eventually found employment in the Cantonment Division, but such cases resulted from the fact that the applicant in question made a personal appeal upon friends or former associates in the service, who vouched for his suitability for the work in question. It might further be stated that in January-March, 1918, when we were graduating Engineer officers from the officers' training camp at Camp Lee, Va., before completion of the course, on account of the urgent calls for additional Engineer troops, I permitted a committee from the Cantonment Division to go to Camp Lee and select for their service Engineer officers whom we could see we would very soon need ourselves.

11. At different times we desired to get back from the Cantonment Division certain specially qualified Engineer officers for our own use, but were unable to do so because these officers had been given charge of responsible work in the Cantonment Division, from which their services could not readily be spared. This was notably true in the cases of Majs. Junkersfeld and Maltby, and a number of others. Eventually we did secure the service of Maj. Maltby, but only after he had completed his special work with the Construction Division.

12. Further, it should be stated positively that there was no distinction between class (a) and class (b) officers so far as professional attainments are concerned. The classification was based purely upon the question of overseas combat service, and in most cases the classification resulted from the indicated preference of the individual concerned. As stated above, this classification was abolished in the fall of 1917 as being without practical significance and thereafter all Engineer officers were pooled on one list.

JAMES G. STEESE,  
*Colonel, General Staff (Engineers).*

**Mr. McKENZIE.** We next desire to have incorporated in the record the following advertisement by the A. Bentley & Sons Co., appearing in the Cincinnati Inquirer about September 11, 1919, which is as follows:

**A GOOD PROPOSITION FOR GOING CONCERNS ONLY.**

We stand ready to help finance from \$50,000 up on mutually profitable terms any manufacturing proposition that needs more space in which to operate and can stand investigation.

We construct and help operate. Write for details.

**THE A. BENTLEY & SONS CO.**

(Engineers, contractors, Toledo, Ohio, New York, Jacksonville, Habana, Cuba.  
Established 50 years.)



We next desire to incorporate in the record the letter from Mr. Chantland to the Chillicothe Hardware Co., Chillicothe, Ohio, under date of December 30, 1919, and their reply under date of January 2, 1920, giving the information requested, which are as follows:

(The letters above referred to by Mr. McKenzie are here printed in the record in full, as follows:)

ROOM 178, HOUSE OFFICE BUILDING,  
December 30, 1919.

CHILLICOTHE HARDWARE CO.,  
Chillicothe, Ohio.

GENTLEMEN: Will you kindly furnish not later than the 10th of January the following for the use of Subcommittee No. 2 of the Select Committee on Expenditures in the War Department:

The total purchases from your company by the A. Bentley & Sons Co. and by D. W. McGrath & Sons, used in the construction at Camp Sherman, Chillicothe.  
Very respectfully,

W. T. CHANTLAND,  
Counsel for Subcommittee No. 2.

MR. MCKENZIE. We next desire to incorporate in the record from the detailed estimate submitted by Mr. J. P. O'Connor and received in evidence with the understanding that such parts as was desired might be printed later. From this book of detailed estimates we now desire to print an itemized and detailed estimate touching the 200-men two-story barrack buildings, 43 by 140 feet, and following that the building cubic factors of the various types of buildings used by Mr. O'Connor in making his estimate for the committee.

(The detailed estimate above referred to by Mr. McKenzie is here printed in full in the record, as follows:)

*Itemized estimate figures.*

(By J. P. O'Connor on 200-men barrack building, 43 by 140. Building only, and inside electrical wiring, heating, and plumbing separate.)

Excavation, 75 post holes, at.....	25 cents..	\$10
Lumber:	Board feet.	
Lumber:		
Posts, 78 pieces, 8-inch cedar posts, 6 feet long.....		
Sills, 182 pieces, 2 by 8 inches by 10 feet.....	2,366	
First-floor joists, 144 pieces, 2 by 8 inches by 10 feet.....	1,872	
144 pieces 2 by 8 inches by 12 feet.....	2,304	
Bridging, 56 pieces, 2 by 8 inches by 10 feet.....	728	
Cut in, 28 pieces, 1 by 8 inches by 10 feet.....	186	
Posts, 39 pieces, 6 by 6 inches by 10 feet.....	1,170	
Studs, 212 pieces, 2 by 4 inches by 18 feet.....	2,544	
Studs, 102 pieces, 2 by 4 inches by 10 feet.....	714	
Cut in, 24 pieces, 1 by 8 inches by 10 feet.....	180	
Second-floor girders, 108 pieces, 2 by 8 inches by 10 feet.....	1,404	
Second-floor joist, 132 pieces, 2 by 8 inches by 10 feet.....	1,716	
Second-floor joist, 132 pieces, 2 by 8 inches by 12 feet.....	2,112	
Bridging, 48 pieces, 2 by 8 inches by 10 feet.....	624	
Roof plate, 56 pieces, 2 by 4 inches by 10 feet.....	392	
Second-floor post, 22 pieces, 4 by 4 inches by 12 feet.....	352	
Second-floor post, 11 pieces, 4 by 4 inches by 14 feet.....	209	
Rafters, 114 pieces, 2 by 6 inches by 24 feet.....	2,736	
Rafters, 42 pieces, 2 by 6 inches by 10 feet.....	420	
Roofing, 56 pieces, 2 by 8 inches by 10 feet.....	728	
Vent, 50 pieces, 2 by 6 inches by 10 feet.....	500	
Ledger, 28 pieces, 1 by 2 inches by 10 feet.....	98	
Ties, 30 pieces, 1 by 6 inches by 10 feet.....	150	
Ties, 30 pieces, 1 by 6 inches by 12 feet.....	180	

## Lumber—Continued.

	Board feet.
Knee brace, 15 pieces, 2 by 4 inches by 14 feet (cut)-----	185
Braces, 81 pieces, 2 by 4 inches by 8 feet (cut 2)-----	405
Interior, 112 pieces, 2 by 4 inches by 10 feet-----	784
Studs, 40 pieces, 2 by 4 inches by 12 feet-----	320
Canopy, 37 pieces, 2 by 4 inches by 10 feet (cut 4)-----	259
Vent, 23 pieces, 1 by 10 inches by 10 feet-----	2,880
	<u>27,948</u>
$\frac{1}{2}$ inch under flooring:	
1 area, 43 feet by 140 feet-----	6,020
1 area, 43 feet by 120 feet-----	5,160
Less 1 area, 12 feet by 6 feet-----	72
	<u>11,108</u>
Plus 10 per cent, 12,218.	
$\frac{3}{4}$ -inch T. & G., top flooring, 1 area as under flooring-----	<u>11,108</u>
Plus 20 per cent, 13,329.6.	
$\frac{1}{2}$ -inch sheathing, S. 1 S., for siding:	
2 areas, 120 by 18 feet-----	4,320
2 areas, 20 feet by 11 feet-----	440
2 areas, 43 by 22 feet-----	1,892
Less 40 areas, 3 feet by 6 feet-----	720
Less 20 areas, 6 feet by 6 feet-----	720
Less 4 areas, 3 feet by 3 feet-----	36
Less 2 areas, 5 feet by 7 feet-----	70
	<u>5,106</u>
Plus 10 per cent, 5,616.6.	
Novelty drop siding, 1 area same as $\frac{1}{2}$ -inch sheathing-----	<u>5,106</u>
Plus 20 per cent, 6,127.2.	
$\frac{3}{4}$ -inch roof sheathing, for roof:	
1 area, 123 by 47 feet-----	5,781
1 area, 22 by 47 feet-----	1,034
1 area, 140 by 5 feet-----	700
26 areas, 4 by 2 feet-----	208
14 areas, 6 by 2 feet-----	168
	<u>7,891</u>
Plus 10 per cent, 8,680.	
1 by 6 dam. wainscoting and partition:	
1 area, 204 by 3 feet-----	714
1 area, 226 by 3 feet-----	791
1 area 324 by 3 feet-----	1,134
1 area, 40 by 10 feet-----	400
1 area, 38 by 10 feet-----	380
1 area, 102 by 10 feet-----	1,020
2 areas, 36 by 10 feet-----	360
1 area, 42 by 11 feet-----	462
Less 16 areas, 3 by 7 feet-----	336
	<u>4,925</u>
Plus 5,910-----	<u>2,955</u>
Grand total, 76,874 board feet at \$57-----	<u>8,998</u>
	<u>4,382</u>

**Mill work:**

3 pair common doors (glazed panel), at \$10.....	\$30.00
2 pair common doors, at \$10.....	20.00
6 single common doors, at \$6.50.....	39.00
168 sash, 6 light, at \$2.50.....	420.00
1 flight stairs, 15 risers, 5 feet wide, at \$35.....	35.00
3 outside steps, 2 risers, 6 feet wide, at \$10.....	30.00
6 screen doors, at \$2.....	12.00

**Tables and counter:**

174 linear foot table, at 75 cents.....	131.00
32 linear foot counter, at \$1.....	32.00
	<u>749.00</u>

**Hardware:**

48 door butts, at 15 cents.....	7.00
5 lock sets for double doors, at 80 cents.....	4.00
5 top and bottom bolts, at 50 cents.....	2.50
6 lock sets for single door, at 80 cents.....	4.80
168 hook and screw eyes, at 2 cents.....	3.36
84 6-inch T hinges for vents, at 5 cents.....	4.20
56 1½-inch screw eye pulleys, at 5 cents.....	2.80
450 linear feet sash cord, at ½ cent.....	2.10

81.00**Screen wire:**

Square feet.

168 area, 3 by 3.....	1,512
2 area, 140 by 6.....	140

1,652

At 4 cents..... \$66

**Roofing:****2-ply prepared roofing—**

1 area, 123 by 47.....	5,781
1 area, 22 by 47.....	1,034
1 area, 140 by 5.....	700
26 area, 4 by 2.....	208
14 area, 6 by 2.....	168

7,891

Say 79 squares at \$2.35..... 186

**1-ply roofing felt between siding—**

1 area as novelty siding.....	5,106
-------------------------------	-------

Say 51 squares, at \$1.95..... 100

**Building paper between under and top floor:**

1 area as top flooring.....	12,000
-----------------------------	--------

At ½ cent..... 60

346**Compo Board lining:**

1 area, 204 by 5.....	1,122
1 area, 228 by 5.....	1,248
1 area, 324 by 5.....	1,782
1 area, 120 by 42.....	5,040
1 area, 140 by 42.....	5,880
Less 168 area, 3 by 3.....	1,512

13,555

At \$0.03..... 407

**Sheet metal:**

Ventilation, 80 linear feet, at \$1.....	80
2 smokestacks, at \$23.....	46
Electric wiring, 47 outlets, at \$6.....	282

408

Plumbing, 2 sinks, 2 range boilers.

Heating.

	Square feet
Cube, 1 vol. 120 by 42 by 22-----	113,520
Cube, 1 vol. 20 by 43 by 13-----	11,610
	125,130

Say 125,000 cubic feet, at \$.0512-----

\$6,400

Material in 1 linear foot of mess table:

1 piece 2 by 4, 8 feet long, by $\frac{1}{4}$ , $\frac{3}{4}$ board feet-----	1 $\frac{1}{4}$
1 piece 1 by 3, 5 feet long, $1\frac{1}{4}$ board feet-----	1 $\frac{1}{4}$
2 $\frac{1}{2}$ square feet, 1 by 6 by $\frac{3}{4}$ , 3 board feet-----	3
2 linear feet, 2 by 8, say, 2 $\frac{1}{4}$ board feet-----	2 $\frac{1}{4}$
	7 $\frac{1}{4}$

At \$100=74 $\frac{1}{4}$  cents per linear foot; 75 cents per linear foot.

Material in 1 linear foot of kitchen counter:

5 linear feet of 1 by 3-----	1.25
1 linear foot of 4 by 4-----	1.33
5 square feet of 1 by 6 dam., say-----	6.
	8.58

At \$100 per M=\$5 $\frac{1}{4}$  per linear foot; \$1 per linear foot.

Cost of one flight of open stairs, 15 risers high, 5 feet wide:

8 pieces 2 by 12 inches, 10 feet long, treads (cut 2)-----	160
8 pieces 1 by 6, 10 feet long, risers (cut 2)-----	40
8 pieces 2 by 12, 16 feet, long, stringers-----	96
1 piece 4 by 4, 10 feet long, newel (cut 2)-----	18
1 piece 2 by 4, 12 feet long, newel (cut 3)-----	8
1 piece, 2 by 4, 16 feet long, hand rail-----	12
	329

At \$1-----32.90

Checks, say, 329 board feet lumber, at \$50-----16.45

Say, 2 carpenters a day, 2 days, at \$10-----20.00

36.45

## BARRACK BUILDING CUBES.

Barrack, 1 Vol. 20 by 36 by 11=7,920, at \$.0512-----	406
Barrack, 20 by 133 by 11=29,260, at \$.0512-----	1,498
Barrack, 20 by 126 by 11=27,720, at \$.0512-----	1,419
Barrack, 20 by 119 by 11=26,180, at \$.0512-----	2,061
Barrack addition, 1 Vol. 30 by 61 by 22=40,260, at \$.0512-----	2,061
Barracks, 43 by 79 by 22=74,734, at \$.0512-----	3,826
Barrack, 20 by 101 by 22=44,440, at \$.0512-----	2,271
Barrack, 20 by 49 by 11=10,780, at \$.0512-----	542
Barrack, 20 by 63 by 11=13,860, at \$.0512-----	710
Barrack, 20 by 50 by 11=11,000, at \$.0512-----	563
Barrack, 20 by 70 by 11=15,400, at \$.0512-----	788
Barrack, 30 by 80 by 22=52,800, at \$.0512-----	2,703
Barrack, 20 by 56 by 11=12,320, at \$.0512-----	630
Barrack, 20 by 108.6 by 11=23,870, at \$.0512-----	1,222
Barrack, 29 by 49 by 22=31,262, at \$.06-----	1,876

## LAVATORY BUILDING CUBES.

1 lavatory, 14 by 18 by 11=2,772, at \$.11-----	305
1 lavatory, 21 by 48 by 11=11,088, at \$.11-----	1,220
1 lavatory, 14 by 26 by 11=4,004, at \$.11-----	440
1 lavatory, 29 by 56 by 11=17,864, at \$.11-----	1,963
1 lavatory, 20 by 49 by 11=10,780, at \$.11-----	1,186
1 lavatory, 29 by 29 by 11=9,251, at \$.11-----	1,018
1 lavatory, 14 by 29 by 11=4,466, at \$.11-----	491
1 lavatory, 14 by 20 by 11=3,080, at \$.11-----	339
1 lavatory, 24 by 35 by 11=9,240, at \$.11-----	1,016
1 lavatory, 14 by 16 by 11=2,464, at \$.11-----	275

## ADMINISTRATION AND OFFICE BUILDING CUBES.

1 building 20 by 60 by 11=13,200, at \$0.073	\$964
1 building 20 by 84 by 11=18,480, at \$0.073	1,350
1 building 20 by 120 by 11=26,400, at \$0.073	1,927
1 building 20 by 77 by 11=16,940, at \$0.073	1,237
1 building 20 by 227 by 11=49,900, at \$0.073	3,643
1 building 22 by 43 by 11=10,408, at \$0.073	760
1 building 20 by 56 by 11=12,320, at \$0.073	900
1 building 20 by 28 by 11=6,160, at \$0.073	450
1 building 24 by 45 by 11=11,880, at \$0.073	867
1 building 20 by 96 by 11=20,240, at \$0.073	1,478
1 building 20 by 42 by 11=9,240, at \$0.073	675

## MEDICAL BUILDING CUBE.

1 building 29 by 112 by 21=68,208, at \$0.096	6,547
1 building 24 by 70 by 21=35,280, at \$0.096	3,387
1 building 20 by 119 by 21=49,980, at \$0.096	4,800
1 building 20 by 98 by 21=41,160, at \$0.096	3,951
1 building 20 by 110 by 21=46,200, at \$0.096	4,435
1 building 20 by 126 by 21=52,920, at \$0.096	5,080
1 building 20 by 28 by 21=11,760, at \$0.096	1,120
1 building 20 by 114 by 21=47,880, at \$0.096	4,596

## OFFICERS' QUARTERS CUBE.

1 building 30 by 63 by 22=41,580, at \$0.08	3,826
1 building 20 by 91 by 11=20,020, at \$0.08	1,602
1 building 20 by 80 by 11=17,600, at \$0.08	1,408
1 building 20 by 119 by 11=26,180, at \$0.08	2,094
1 building 20 by 28 by 11=6,160, at \$0.08	493
1 building 20 by 133 by 11=29,260, at \$0.08	2,341
1 building 20 by 34 by 11=18,480, at \$0.08	1,478
1 building 20 by 56 by 11=12,320, at \$0.08	986
1 building 20 by 101 by 11=22,220, at \$0.08	1,778
1 building 20 by 70 by 11=15,400, at \$0.08	1,282

## CUBE OF FIRE STATIONS.

1 fire station, 31 by 67 by 14=29,078, at \$0.087	2,530
1 fire station, 31 by 88 by 14=38,192, at \$0.087	3,323
1 fire station, 10 by 14 by 10=1,400, at \$0.08	112

## CUBE OF MISCELLANEOUS BUILDINGS.

Quartermaster shop:	
1 vol., 36 by 198 by 12=83,376, at \$0.07	5,896
1 vol., 66 by 76 by 20=100,320, at \$0.07	7,000
Clothing repair shop: 1 vol., 20 by 161 by 11=35,420, at \$0.08	2,833
Shoe repair shop: 1 vol., 20 by 161 by 11=35,420, at \$0.08	2,833
Motor repair shop: 1 vol., 55 by 108 by 20=113,300, at \$0.07	7,931
Garage:	
1 vol., 40 by 170 by 20=136,000, at \$0.06	8,160
1 vol. 40 by 210 by 20=168,000, at \$0.06	10,080
1 vol. 65 by 180 by 20=234,000, at \$0.06	14,000
1 vol. 26 by 104 by 16=43,264, at \$0.06	2,596
1 vol. 14 by 21 by 12=3,528, at \$0.06	211
1 vol. 16 by 64 by 20=20,480, at \$0.06	1,229
1 vol. 38 by 110 by 20=83,600, at \$0.06	5,016
1 vol. 28 by 44 by 20=24,640, at \$0.06	1,478
1 vol. 16 by 27 by 12=5,184, at \$0.06	311
1 vol. 17 by 14 by 12=2,856, at \$0.06	171
1 vol. 18 by 30 by 12=6,480, at \$0.06	388
Gas filling, 1 vol. 35 by 42 by 20=29,400, at \$0.06	1,764

## CUBE OF HOSPITAL UNIT BUILDINGS.

## Administration Building B1:

1 vol. 116 by 24 by 16=44,544; 2 vol. 24 by 12 by 16=9,216; total,  
53,760, at \$0.08----- \$4, 300

## Officers' Ward C1:

1 vol. 150 by 24 by 16=57,600; 2 vol. 58 by 24 by 16=44,544; total,  
102,144, at \$0.08----- 8, 172

Officers' Quarters D1: 1 vol. 150 by 24 by 16=57,600, at \$0.08----- 4, 608

Officers' Quarters D1: 1 vol. 36 by 24 by 16=13,824, at \$0.08----- 1, 108

## Nurses' Quarters G1:

1 vol. 150 by 24 by 16=57,600; 3 vol. 58 by 24 by 16=66,856; total,  
124,436, at \$0.08----- 9, 950

Laboratory: Eye, Ear, Throat F1: 1 vol. 104 by 24 by 16=39,936, at  
\$0.08----- 3, 195

## Examining and Operating F1:

1 vol. 150 by 24 by 16=57,600; 3 vol. 58 by 24 by 16=66,836; total,  
124,436, at \$0.08----- 9, 950

Operating Pavilion G1: 1 vol. 98 by 24 by 16=35,712, at \$0.08----- 2, 857

Post Exchange H1: 1 vol. 98 by 24 by 16=35,712, at \$0.08----- 2, 857

Garage H1: 1 vol. 24 by 56 by 16=21,504, at \$0.08----- 1, 720

Shop H1: 1 vol. 139 by 24 by 16=53,376, at \$0.08----- 4, 270

Mess and Kitchen I2: 1 vol. 156 by 24 by 16=59,904, at \$0.08----- 4, 792

## Kitchen and Mess Room I:

1 vol. 46 by 24 by 16=17,764; 1 vol. 150 by 24 by 16=57,600; 1 vol.  
23 by 24 by 16=8,832; 1 vol. 108 by 24 by 16=39,472; 2 vol. 24  
by 24 by 16=18,432; total, 142,100, at \$0.08----- 11, 368

## Receiving Ward J:

1 vol. 150 by 24 by 16=57,600; 2 vol. 58 by 24 by 16=44,544; total,  
102,144, at \$0.08----- 8, 172

Singer Ward K1: 1 vol. 157 by 24 by 16=60,288, at \$0.08----- 4, 823

## Ward and Lavatory L1:

2 vol. 157 by 24 by 16=120,576; 1 vol. 24 by 16 by 16=6,144; 1  
vol. 50 by 8 by 16=6,400; total, 133,120 cubic feet, at \$0.08----- 10, 650

Isolation Ward M1: 1 vol. 150 by 24 by 16=57,600, at \$0.08----- 4, 608

Hospital Corp Barracks N1: 1 vol. 166 by 24 by 16=63,744, at \$0.08----- 5, 040

Chapel P1: 1 vol. 58 by 24 by 16=22,272, at \$0.08----- 1, 781

Guardhouse P1: 1 vol. 35 by 24 by 16=13,440, at \$0.09----- 1, 209

Mortuary P1: 1 vol. 35 by 24 by 16=13,440, at \$0.10----- 1, 340

Laundry Q1: 1 vol. 150 by 24 by 16=57,600, at \$0.08----- 4, 608

Convalescent Barracks: 1 vol. 34 by 156 by 28=148,512, at \$0.08----- 11, 880

Nurses' Quarters E22: 1 vol. 156 by 30 by 28=131,000, at \$0.136----- 17, 816

Mr. CHANTLAND. Before closing, Mr. Chairman, I think the record should show that certain information to be furnished by Mr. Rhoades (R. 1490) and Mr. Buckeley (R. 1055) has been written for a second time, but no response has been received.

I also desire to state of record that notwithstanding the fact that all of those of us who have been employed by the committee have made persistent efforts to locate a complete copy of the minutes of the emergency construction committee, we have been unable to do so. Miss Fleming, the secretary to Mr. Ingels, who was Mr. Baruch's secretary, remembers receiving such minutes from Mr. Talmadge, as stated by him. Both Miss Fleming and Mr. Baruch stated that the minutes themselves should have been left, and were, as they believe, left in the proper files of the War Industries Board. Search for them has been made there repeatedly, but no trace of them found.

Mr. CHANTLAND. I have caused to be prepared a statement intended to show the proper cost of the construction of Camp Sherman complete, using the unit figures of Mr. O'Connor as a basis. It is not claimed that these figures are absolutely correct, but they are intended to be an approximate estimate and subject to corrections for

possible omissions and likewise subject to some reasonable per cent of deviation up or down for differences in condition as to terrain, ease of excavation, etc. But it is believed that the figures are fair and substantially correct on the basis stated. Of course, these figures, like the figures submitted by the construction division and the contractors, do not include items of expense to the taxpayers of the United States, to wit: The expenses of the office of the construction quartermaster, field auditing force, etc. The recapitulation of the figures is as follows:

*Proper cost of Camp Sherman (recapitulation).*

<b>Buildings:</b>		
Sheets 1 to 3, inclusive (rifle range included)-----		\$3, 893, 995. 00
Heating-----		1, 395, 062. 00
Plumbing-----		485, 359. 00
		<hr/>
		5, 774, 416. 00
<b>Liability and general conditions</b> -----		202, 100. 00
		<hr/>
		5, 976, 516. 00
<b>Profit, 5 per cent</b> -----		298, 825. 80
		<hr/>
		6, 275, 341. 80
<b>Utilities:</b>		
Outside electrical work-----	\$166, 840. 00	
Roads-----	318, 263. 00	
Sewerage-----	387, 000. 00	
Water system-----	342, 720. 00	
	<hr/>	
	1, 214, 828. 00	
<b>Liability and general conditions</b> -----		13, 331. 00
	<hr/>	
	1, 228, 154. 00	
<b>Profit, 5 per cent</b> -----		61, 407. 70
	<hr/>	
		1, 289, 561. 70
<b>Total</b> -----		<hr/>
		7, 564, 903. 50

**Mr. McKENZIE.** There are certain letters of inquiry that have been sent out to which no answers have been received to date (Jan. 27, 1920); I will therefore ask that these letters be printed, and when the answers are received I will ask our counsel to incorporate the material portions of such answers directly in the brief and report at the proper places. The letters are as follows:

(The letters above referred to by Mr. McKenzie are here printed in the record in full, as follows:)

JANUARY 14, 1920.

The honorable the SECRETARY OF WAR,

*Washington, D. C.*

**MY DEAR MR. SECRETARY:** Will you kindly furnish for the use of the subcommittee No. 2 of the Select Committee on Expenditures in the War Department the following information:

The cost of the quartermaster's supplies used, and the cost of employing them, in men and animals and maintenance, during the construction of each of the several cantonments which were used in connection with the construction of such cantonments, and which would therefore be properly a part of the construction charge.

Very respectfully,

*Chairman Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department.*

JANUARY 26, 1920.

The honorable the SECRETARY OF WAR.

SIR: Will you kindly furnish for the use of subcommittee No. 2, Select Committee on Expenditures of the War Department the following:

All memoranda and correspondence relating to the proposed transfer of certain construction operations of the War Department from the Construction Division to the Corps of Engineers which occurred during the early part of 1919, together with the proposed order for such transfer.

Very respectfully,

\_\_\_\_\_  
*Chairman Subcommittee No. 2 of the  
Select Committee on Expenditures in the War Department.*

A. BENTLEY & SONS,  
*Toledo, Ohio.*

GENTLEMEN: Under date of November 29, 1919, a letter was sent you calling, among other things, for the following information:

Fourth. A list of the plant and equipment furnished by you, belonging to the A. Bentley & Sons Co., not including equipment rented or equipment purchased after the contract was obtained; and the reasonable cash value thereof at the time it was transported to Chillicothe.

In response thereto, under date of January 10, you sent a list in answer to that inquiry, but including not only what you had on hand and furnished but also what you bought and shipped. Please let us have an answer to the question as submitted, showing exactly what your furnished, not including equipment rented or equipment purchased after the contract was obtained, and reasonable value thereof.

Very respectfully,

JOHN C. MCKENZIE,  
*Chairman Subcommittee No. 2.*

Mr. McKENZIE. Well, gentlemen of the committee, unless there is something that has been overlooked we will consider the hearings closed, unless and until further instructions are either given by the full committee or by the House of Representatives. And we will proceed as speedily as possible to have printed the balance of the record, and with the preparation of the brief and of the report.

The committee stands adjourned.



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